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### BiH State-related Issues

### Council of Ministers adopts Action plan to remove barriers to investments

The BiH Council of Ministers adopted on Thursday the Action plan to remove barriers to the investments in BiH, agreed with foreign experts and investors, as well as with Entity institutions. BiH Minister of Civil Affairs and Communications Svetozar Mihajlovic said that this Action plan provides for measures to be taken by both BiH Entities and the BiH Council of Ministers in the field of business legislation, foreign investments, legal and administrative system, labor legislation, tax system and customs administration in order to create more propitious environment for foreign investments. The plan will also provide for the creation of a single register of BiH companies as well as the single company registration form. Mihajlovic explained that the adoption of this action plan was one of the prerequisites for obtaining a new foreign loan, intended for the improvement of business environment. (Originally reported by ONASA)

### CIPS: New identity documents by June 15

At a press conference held on Thursday in Sarajevo, the BiH Minister of Civil Affairs and Communication, Svetozar Mihajlovic, said that the issuing of new identification papers for the BiH citizens should start on June 15, 2002. He added that the papers under the Citizens' Identity Protection System (CIPS). Project would be printed under one roof, which would be more efficient and less expensive. For the implementation of the CIPS Project, involving the purchase of the required printing equipment, it will be necessary to appropriate 15 million KM under the 2002 BiH budget. This substantial budget appropriation, explained Mihajlovic, should be covered by the

proceeds to be made from the sale of the identification papers. (ONASA, SRNA, Federation TV and BH Radio 1 reported on this item)

### ONASA: Economic conference starts in Sarajevo

Our priorities in coming period are rule of law, establishment of institutions, continuance of economic reforms, improvement of climate for domestic and foreign investments, fight against corruption, and joining European integration processes, BiH Council of Ministers' Chairman and Foreign Minister Zlatko Lagumdzija said at the beginning of the two-day Economic Conference — Fist Roundtable Discussion with BiH Authorities. "We have changed the focus and we are now investing much more efforts into the creation of a more favorable climate for domestic and foreign investments. At today's session of the Council of Ministers, we will discuss the first action plan ever made in this country for the creation of favorable environment for domestic and foreign investments, which we have agreed with the World Bank (WB)," Lagumdzija said. "We have a Diagnostic Study on the causes of corruption in front of us and it was very helpful for us in the creation of the action plan for the fight against corruption, which will be presented to the public in the beginning of March," Lagumdzija said. In order to reduce the political risk, both entity governments have formed foreign investment guarantee agencies - IGA, he said, adding that WB's MIGA is also present in BiH. A single law on energy policy has been adopted recently, and it will be a foundation for other similar laws in other fields, but "we are aware of the fact that we will have to reorganize the tax policy to make the business environment more efficient. The introduction of the value-added tax will simplify the existing complex system," Lagumdzija said. He added that the activities with WB and International Monetary Fund (IMF) are of huge importance and that the negotiations with the IMF on the conclusion of a new stand-by arrangement are in the final phase. Lagumdzija said that BiH has a lot to offer - stable macroeconomic framework, low inflation, firm currency, low transaction fees, basic infrastructure, educated and trained workforce, liberal price regime, progressive nondiscriminatory legislation, more and more stable banking sector. He said special advantage is the liberal foreign-trade policy, adding that BiH has concluded free trade agreements with Slovenia, Croatia, Macedonia, and Yugoslavia, and is currently negotiating with Turkey and Romania. On the other side, special regimes of preferential export to the countries of the European Union (EU) and the United States. "In coming period, we plan to launch the activities on funding the construction of the highway (corridor 5c). The construction of the highway is a business challenge for the local and foreign investors. We deem that there are significant possibilities for the investment into agriculture, with an accent on the production of healthy food, processing industry, textile and wood industry, tourism, and investments into entrepreneurship, that is small and medium-size companies," Lagumdzija said. Speaking about the banking sector, he said it is much stronger and probably the most important result of the reforms, along with the macroeconomic stability. "However, we want to go further, so the activities are underway to establish a stock exchange, and we are also considering an option of issuing state securities," he said. According to Lagumdzija, there is a possibility to establish a specialized bank to deal with granting long-term credits for the purchase of apartments. "We are particularly pleased with the progress in getting closer to the European integration processes. BiH membership in the Council of Europe is the matter of time, and we this year expect the beginning of talks with the European Commission on the feasibility study. Our currency remains firmly connected to the new European currency — euro," Lagumdzija said, adding that joining the EU is a very important priority and a confirmation of the BiH's stability. He mentioned that the share of the private sector in BiH is at some 40%, adding that BiH is the country of possibilities, and that there are significant potentials for the privatization, particularly in

the field of energy and telecommunications. "BiH is getting stronger and better organized. Those who invest in BiH today will make much more profit than those ho are to invest tomorrow," Lagumdzija said, calling on the businessmen to join the investors from Kuwait, Austria, Italy, Slovenia, Croatia, Turkey, Germany, and other countries, who are already present in BiH. Principal Deputy High Representative Donald Hays, who addressed the participants, called for a renewed show of political will on the party of the leaders of BiH, which is urgently needed in order to establish the conditions for economic lift-off and deliver real benefits to citizens. Although there has been a positive change in the politics of BiH since the Alliance for Change came to power and placed economic development at the top of the political agenda, Hays said there is still too little focus by the political leadership on the overall strategy, which will help BiH attract foreign investment and take advantage of a liberalizing regional market. He also noted that some leaders cling to discredited practices from the past, such as making appointments to public office on the basis of affiliation rather than competence, and seeking to influence the day-to-day work of regulatory agencies which, by their nature, need to be substantially independent. (BiH electronic media and agencies prominently covered the event). Press Release, Speech

### BiH Presidency Discusses Work of State Border Service

Nezavisne Novine reports on the Thursday's meeting of the BiH Presidency at which they positively assessed work of BiH State Border Service in the last year. The full functioning of this service will be questionable all until it establishes control over the entire BiH state border, the daily quotes Chairman of the Presidency Beriz Belkic as saying. BiH State Border Service currently controls 75% of the BiH border, as the rest of the 25%, which are illegal border crossings, is still used

for smuggling and other illegal actions, according to the newspaper. The Presidency also assessed that significant progress had been achieved in this field in the last year and that the activities for further improvement of this service's operations would continue.

### **Federation**

### Dnevni List: Jelavic was denied visa for the USA!

(Provided by OHR Mostar)

Ten days ago Dnevni List received the information that Ante Jelavic's visit to the United States was practically certain and that he will not have problems to get an entrance visa. A daily schedule of his visit to the Croat(ian)s in the USA and talks with the representatives of the American Administration has already been made.

However, only a week later the American Embassy informed Jelavic that by 'the President's decision' he was denied to visit the USA. It means that they do not have to explain the reasons because of which they denied him the entrance visa. Probably, it is about political motives, based on the fact that the HR removed Jelavic from the position of the HDZ President, and American Croat(ian)s invited Jelavic to visit the USA as the leader of the Croats.

Morally, this decision is very questionable because the persons, who are on The Hague's wanted lists, have received the visa, and the USA Authorities did not have such an attitude towards Sefer Halilovic, who has been charged with war crimes, or towards closest associates of Radovan Karadzic.

The Association of American Croat(ian)s that invited Jelavic has been shocked by the fact that he was denied the entrance visa and they announced that they will organize big protest

rallies in many American cities. As far as Croat(ian) politicians are concerned, apart from Jelavic, so far, the American Authorities only denied the entrance visa to Miroslav Tudjman and Dr. Andrija Hebrang.

# Slobodna Dalmacija: Terrorist attack on Vlatko Vidovic causes fear among other returnees — Travnik Croats request collective accommodation

(Provided by OHR Mostar)

With regards to the incident from February 16, when a Croat returnee to Travnik Vlatko Milko Vidovic got wounded, Slobodna Dalmacija reads that the Cantonal Minister of Interior (of the Central Bosnia Canton), Mithat Zubaca, presented a report before the Cantonal Assembly stressing that there were no doubts that it was a case of deliberately planted explosive device. In relation to that, one Alija Mesanovic from Donja Ilovaca was arrested suspected of committing the act. Following the Minister's report the HDZ MPs requested an emergency session of the Parliament which would render this and other unsolved cases of terrorism which took place since mid-1997 that resulted in 8 Croats getting killed. The request caused a two-hour discussion which was often quite polemical. Minister Zubaca said that apart from the nine Croats, six Bosniaks got killed during the same period adding that the MoI does not want label the murders with political of national prefix. The "catch" is in the prefix, reads the daily, because it is evident that, albeit the investigations were never seen through, the murders and attempted murders have political background aimed at prevention of return of some 20.000 expelled and displaced Croat from the Municipality. Such conclusion cannot be made with regards to the killed Bosniaks, comments the daily. The HDZ minded the SDP's MP Muzem Gerin who was of opinion that it was pointless to convene an emergency session saying that Gerin requested an emergency session last year when the SDP's premises in Vitez were bombed on May 1, 2001. Minister of Reconstruction Slavica Josipovic

stressed that the returnees need a strong message that their lives and property would be safe adding that some Croat returnees to Travnik have requested a collective accommodation not feeling safe. The HDZ's request was subsequently accepted so the emergency session will be held on March 6, at 1000 hrs, reads Slobodna Dalmacija.

# Slobodna Dalmacija: Association for Protection of Croat National Interest blames Muslim extremist and the High Representative for the incident in Travnik

In a statement for the press, the Association for Protection of Identity and Croat National Interests, expressed its bitterness with the last week incident in which one Travnik resident was seriously injured on a mine allegedly planted in front of his hose. The association strongly condemned "the act of terrorism", blaming the "Muslim extremists and the High Representative, Wolfgang Petritsch," for the incident. "Although he removes Croats for some minor failures and irregularities, the High Representative never removed or penalized any Bosniaks for killing Travnik Croats," reads the statement.

## Dnevni List: From the session of HDZ Presidency — Federation budget is the Alliance pre-election trick

(Provided by OHR Mostar)

During the yesterday' session of the HDZ Presidency, which was held in Mostar, three issues dominated. The first one is the state budget of the BiH Federation. With regard to this issue, they expressed their dissatisfaction over the fact that parliamentary parties did not get the budget proposal on the Parliament benches and for this reason they did not have an opportunity to state objections and proposals to the budget proposal.

It was anonymously concluded that the budget, adopted at the session of the Federation Government, which was held last week, is a pre-election trick, which should secure the Alliance's victory at the Parliament elections, in October this year.

The second important issues discussed at the session of the HDZ Presidency were Law on Defense and Law on Intelligence Services. When Law on Defense is in question, HDZ strongly holds position on having two components of the Federation Army and this is a minimum that the leading Croat party in BiH will not depart from. They expressed great dissatisfaction over Draft Law on Intelligence-Security Services. Namely, Law envisages centralization of the intelligence-security system, that the HDZ judged as 'the return of UDBA (Former Yugoslav Secret Service) in big style'.

Journalists expected that they would say something about the way that HDZ will organize its leadership for the coming elections. The question that seemed to be very interesting for the journalists was whether the Presidency, with an elected Chairman (within the Presidency), will lead the party and whether Jelavic, an unrecognized HDZ President, will withdraw from the position of the President due to the pressure of the High Representative and International Community. Although we were informed that the Presidency was talking about this issue, we do not know as to what they have concluded during the long HDZ Presidency session.

### Vecernji List: Lack of money prolongs dismissal of 10.000 soldiers

(Provided by OHR Mostar)

Vecernji List reads that due to lack of money, the deadline for discharges of 10.000 soldiers from the Federation Army could be prolonged beyond April 1, which was the original date for the discharges. "Those who want to voluntarily leave the service, and opinion polls show that there are many of them, we would have to provide severance payments for them (10.000 KMs), also we would have to take care after the people who want a new job", said the Federation Minister of Defence Mijo Anic adding that people who are left jobless would be taken care of. Minister Anic also denied the writing in the Banja Luka's Nezavisne Novine according to which he said that Alija Izetbegovic ought to be in The Hague alongside Slobodna Milosevic. The Banja Luka daily published the story referring to the "Ana" Greek news agency. "I think it is another case of campaign against me", says Anic.

### Republika Srpska

### Sarovic hosts a meeting of RS political parties' representatives

Nezavisne Novine writes that the Republika Srpska President Mirko Sarovic hosted a meeting of the representatives of the strongest, predominately Serb, RS parliamentary political parties on Thursday. The newspaper learned that the constitutional changes were discussed at the meeting and it was an attempt to agree on positions prior to forthcoming meeting with the High Representative, Wolfgang Petritsch, and parliamentary parties representative from the BiH Federation scheduled for on February 26. The meeting was attended by all leaders of the RS political parties except SNS's (Serb People's Alliance) Branislav Lolic. This party is represented by a senior, unnamed, party official. Media were not officially informed about the meeting.

### RS Government Adopted Draft Law on Radio-Television of Republika Srpska

Glas Srpski and Nezavisne Novine write that the Republika Srpska Government has adopted and forwarded to the RS National Assembly the Draft Law on RT RS. According to the Draft, the

media is defined as a public service under full control of the public. The passage of the Law abolishes the currently applied Interim Arrangements. According to the Draft Law, the founder of RT RS is the RS National Assembly.

### RS citizens to be officially informed soon about the value of their vouchers

Glas Srpski, on the cover page, writes that the RS citizens will soon be informed on the value of vouchers they invested in the RS Privatization Funds (PIFs). In the forthcoming period, the RS dailies as well as radio and TV stations will carry information about value of vouchers. The shares with the lowest value are those of the VB Fund (28 KM per share) as those with the highest value are of the BLB Profit (105 KM)

### **International Community**

### High Representative to travel to Belgrade, meet FRY and Serbian officials

The High Representative, Wolfgang Petritsch, is to travel to Belgrade on Sunday for two days of talks with senior Yugoslav and Serbian officials. OHR spokesman, Mario Brkic said, during his visit to Belgrade, Petritsch is to discuss "the latest developments and the implementation of the Dayton Peace Agreement". On Sunday, Petritsch is to hold separate meetings with Yugoslav Foreign Minister Goran Svilanovic and Serbian Deputy Prime Minister Zarko Korac. On Monday, separate meetings will be held with Yugoslav President Vojislav Kostunica and Serbian Prime Minister Zoran Djindjic. (SRNA, ONASA)

### Slobodna Dalmacija: PLIP Agencies say preventing evictions represents a punishable offence

(<a href="PLIP Press Release">PLIP Press Release</a>)

### **Editorial**

### Dnevni List: Minister Jozo Maric must resign!

Written by Ivica Grubisic (Provided by OHR Mostar)

Due to a difficult material situation, the strike of Primary and Secondary Schools in the West Herzegovina Canton has been lasting for ten days now. Careless attitude of the competent Ministry has brought education in such difficult situation. Obviously, Jozo Maric, the current Cantonal Minister of Education, has forgotten what is the situation like in the field of education, and he is the most responsible person, who should take care that everything is in order.

After such behavior, any moral person who was in Maric's position would resign. Indeed, the moral person at the position of the Minister of Education would not go to a business trip, no matter how important it is, if teachers and professors have gone on strike. Perhaps, the speculations that Minister Maric is deliberately preparing a fall-back position, because the position in Lijanovici' Concern is waiting for him, are correct.

### **Headlines**

#### Dnevni List

- The Hague fever is shaking BiH: 62 new bills of indictment have arrived from The Hague to Sarajevo (12 bills of indictment were sent to Mostar)
- The visit to Croat Diaspora has been postponed by 'President's decision': Jelavic was denied visa to the USA!

#### Vecernji List

• Miroslav Coric, the President of the Herzegovina-Neretva Government: The

Federation dips deep into the Cantonal pocket

■ The deadline for the dismissal of 10 000 soldiers in the BiH Federation is questionable: There is no money for soldiers' dismissals

### Glas srpski

■ Vouchers of the RS Privatization Funds Valued

### Nezavisne novine

■ Two indicted Generals Released from Sheveningen — Jokic and Ademi Let out on Parole