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## BiH State-related Issues

### **Krizanovic says Warsaw regional summit on combating terrorism adopted a joint plan of action**

According to Oslobodjenje, Chairman of the BiH Presidency Jozo Krizanovic returned on Wednesday from Warsaw, where he took part in the Summit of the countries from central, eastern and southeastern Europe on Combating Terrorism. Krizanovic told journalists in Sarajevo that the Summit had adopted a declaration condemning the September 11 terrorist attacks on the United States and a joint plan of action in fight against terrorism.

### **SCMM starts drafting plans for restructuring of the armed forces in BiH**

At a Wednesday's meeting of the BiH Standing Committee for Military Matters, the Commanders of the Entity Armies and SFOR presented initial plans for restructuring of the armed forces in the country. According to Oslobodjenje, the process of restructuring is expected to reduce military expenditures, adapt existing armies to the work in the peaceful environment and make the organizational structure of the Armies compatible with NATO and Partnership for Peace members.

## **BiH loses a billion KM annually due to illegal trade activities**

In an article on its front page, Dnevni Avaz asserts that, due to not arranged relations and non-loyal competition, BiH has been annually losing at least one billion KM in uncollected custom duties. These are, according to the newspaper, assessments of the international financial institutions, which have been trying for years to improve the situation in the customs and tax sectors. CAFA0, an European Union organization dealing with irregularities in the customs duties area, estimates that BiH is losing 500 million KM per year only due to a developed tobacco black market.

## **FIPA says potential investors facing bureaucratic obstacles**

Director of the BiH Foreign Investments Promotion Agency Mirza Hajric said on Wednesday that during the past two months, a better interest of foreign investors for BiH had been recorded. According to Dnevni Avaz, in the course of the day, Hajric presented to the members of the diplomatic corps in BiH a study on conditions to attract foreign capital in BiH. Hajric emphasized before the meeting that the BiH authorities had to remove a large number administrative barriers in order to create a positive business environment for foreign investors.

## **Federation**

## **A bomb went off in front of the Filipovic's building in Sarajevo**

Late on Wednesday, a person identified as A.H. activated an explosive device in front of the building in Sarajevo in which BiH Federation President Karlo Filipovic lives with his family. A material damage was made as the perpetrator himself

was the only person suffering injuries. On Thursday, Filipovic addressed the journalists in regard of the incident saying that he "would not speculate about the motives behind the explosion." "I requested the authorized institutions to investigate into the case in order that it does not worsen the general security situation," Filipovic said.

## **BiH Federation House of representatives to appoint Interior and Refugee Ministers on Thursday**

Oslobodjenje reports that BiH Federation House of Representatives is scheduled on Thursday to continue its session interrupted last week. The House is expected to consider appointment of Ramo Maslesa as the entity Minister of Interior, and Rifat Skrijelj as the Federation Minister for Labor, Social Welfare and Refugees. The draft laws on the Federation intelligence services, foreign investments and associations and foundations are also on the agenda.

## **AFP: Sarajevo hails indictment of Bosnian Serb general for city siege**

The Bosniak member of the BiH joint presidency, Beriz Belkic, hailed on Wednesday a UN war crimes court indictment against a Bosnian Serb general for atrocities committed during the 1992-95 siege of Sarajevo. "As someone who lived in Sarajevo during the war and experienced the terror, I think that the justice is being met for Sarajevo, but also for the whole of Bosnia-Herzegovina," Belkic told AFP after the UN tribunal disclosed the indictment against General Dragomir Milosevic. But Belkic and other Sarajevo politicians also demanded that more now be done to capture and try the top Bosnian Serb war crimes suspects, Radovan Karadzic and Ratko Mladic. The International Criminal Tribunal for former Yugoslavia (ICTY) disclosed earlier Wednesday the indictment on charges of war crimes and crimes against humanity against Milosevic. The indictment was drawn up in April 1998, but kept secret in hopes of facilitating his capture. The indictment said troops

under Milosevic's command used artillery, mortars and snipers to deliberately kill, maim and terrorize civilians in the city. While praising the UN court's action, Belkic complained that justice was proving "too slow," and said the tribunal's top suspects, Bosnian Serb war-time leader Karadzic and his military commander Mladic, "should have been arrested first." "Life would be better for all Bosnia's people – Serbs, Muslims and Croats – if the two of them were arrested as organizers and prime movers behind everything that happened here," he said. His view was echoed by Muhamed Kresevljakovic, Sarajevo's war-time mayor. "Milosevic was executing orders of Karadzic and Mladic, so we cannot be satisfied for as long as the two of them are not arrested and in The Hague," he told AFP. In Banja Luka, Republika Srpska Prime Minister Mladen Ivanic told journalists that police will search for Milosevic if he is in the RS. The RS parliament passed in October a law setting up procedures for its cooperation with the ICTY. "Usual procedures will be followed," Ivanic said. "Judicial institutions will declare that a warrant is forwarded to (the ministry) of the interior and that then they are to find Mr. Milosevic if he is here," Ivanic said. However, an anonymous source in the Repulika Srpska interior ministry told AFP that Milosevic was currently living in Yugoslavia, where he receives a pension from Yugoslav army. Milosevic "as commander of Bosnian Serb forces comprising or attached to the Sarajevo Romanija Corps, conducted a coordinated and protracted campaign of sniper attacks upon the civilian population of Sarajevo," the UN indictment said. It also accused him of "infliction of terror" on the civilian population and of conducting a "campaign of artillery and mortar shelling". Some 10,500 people, including 1,650 children, died and more than 58,000 people were wounded during the siege of Sarajevo.

**Dnevni List: Is it about reconstruction of the mosque or the project of destabilization of Stolac**

## area?

(Provided by OHR Mostar)

Things are again warming up in Stolac nowadays. To be more precise, the Municipal Authorities received a decision, signed by the Federation Minister of Physical Planning, Ramiz Mehmedagic, which permits construction of the Careva mosque in Stolac. According to information DL acquired from the Municipal Department for Construction and Return (MDCR), the Federation Ministry for Physical Planning is not competent to issue such permit, it is rather within the competence of Municipal and Cantonal authorities. Representatives of the MDCR are amazed with the preamble of the decision in which Minister Mehmedagic calls upon the silence of the Stolac Administration. The truth is quite the opposite. The Municipal Administration received the Islamic Community's request for dispensing of the construction permit for the Careva mosque on February 19, 2001. At the same time, the Administration received a request from the Catholic Parish's office in Stolac for construction of a Catholic church on the same site where the mosque used to be. The Administration abided by the law and answered both requests. Taking into consideration the complexity of the problem and the current regulation in the matter, the Administration addressed the competent Institute for Preservation of Cultural Heritage (IPCH) in Mostar. The IPCH appointed a committee which suggested that the site be archeologically inspected and fenced which was done soon after. The fence caused a reaction from the Islamic Community which resulted in a meeting that was organized by the OHR South at which representatives of the Municipal Authorities, Catholic Church and Islamic Community participated on June 1. The meeting resulted in welcoming of the erection of the fence at the site and it was also agreed that no anti-Dayton activities would be carried out. It was also agreed that Chair of the Municipal Council (a Bosniak) would convene a session of the Council which would analyze the situation. Despite the

requests from the Croat Councilors, the session was successfully avoided. On September 5, a group of Bosniak young men enters the site, destroying a part of the fence which was sanctioned by some members of the IC. The police also reacted in a strange way permitting the trespass and ignoring the orders from the Cantonal Minister of Interior (...) It is odd that all this happened during the events in Banja Luka and Trebinje. Maybe the plan was to stage an incident and put the blame on Croats and their representatives in Stolac which in turn resulted in attempts to instate a supervisor for Stolac. The aim was to annul the victory of the Croat parties in Stolac. Luckily the scenario did not go through. It is interesting that Minister Mehmedagic ignores his Deputy's (Boris Britvar) opinion who distances himself from the Minister's appearances and introduces a new approach based on the current legislation and dialogue. We hope that the IPCH will issue its opinion so the public is informed in the quality fashion, reads Dnevni List.

## **Vecernji List: Public opinion poll on viewer rating in Posavina Canton**

(Provided by OHR Mostar)

The public opinion poll has shown that the opinion of the Croats from the Posavina Canton is almost unique: 'Actually, the Federation TV is an old project of the BiH TV.'

Objections of the citizens mostly refer to the language, which is still only Bosniak, while Croatian language is not being used during prime time. The prime time news have more information from the Serb entity than from some Cantons with a Croat majority. Out of 100 questioned persons even 88 of them believe that the Federation TV exists only by its name. The public opinion poll confirms that 93% of the citizens watch HTV regardless of the fact that it has less information on BiH.

## **Republika Srpska**

### **SDS Presidency discusses the High Representative's requirements**

Nezavisne Novine writes that the Serb Democratic Party's (SDS) Presidency met late on Wednesday to discuss a series of conditions that the High Representative put before the SDS during his last visit to Banja Luka. SDS President Dragan Kalinic and the Party's senior officials Mirko Sarovic and Dragan Cavic informed the other members of the SDS Presidency about the talks they had held with the High Representative and conditions that this party would have to fulfill, the newspaper reports. According to the previous media reports, Wolfgang Petritsch presented an idea on the dismissal of certain SDS deputies leaving the implementation of this decision to SDS President Dragan Kalinic. Nezavisne Novine carries a statement of one of its source from SDS saying that the party is dissatisfied with the resistance of the RS Prime Minister Mladen Ivanic, when it comes to appointment of SDS cadre to managerial positions. The same source says that the SDS is seriously considering change of the name but it is not confirmed if the party's presidency discussed this idea.

### **RS political parties comment on amendments to the entity's Constitution**

Nezavisne Novine published an article on the decision of the Republika Srpska Government to change the RS Constitution hinting that this move had been initiated during the recent visit of the High Representative to Banja Luka. The High Representative, Wolfgang Petritsch, has, on several occasions, warned the RS authorities to speed up the process of changing the Constitution in order to have the decision of the BiH Constitutional Court on the constituent peoples implemented as soon as possible. SNSD's (RS Party of Independent Social



Democrats) General Secretary Branko Neskovic thinks that one of the major High Representative's requests at his meetings with the top RS officials had been related to this particular issue. "This is confirmed by the report that the Government, all of the sudden, after the visit of the High Representative, decided to speed up the process of constitutional changes", said Neskovic. SPRS's (Socialist Party of the RS) Vice President Tihomir Gligoric said that the warning of the High Representative shouldn't have happened, since all entity's commissions should have finished this job a long time ago. DNS's (Democratic Peoples Alliance) Vice President Marko Pavic thinks that support of the RS Government to the constitutional changes is a realization of the High Representative's requests addressed to the RS authorities. SNS's (Serb National Alliance) Vice President Branislav Lolic considers that the Government agreed to change the Constitution in order to fulfill some of conditions set before it by the High Representative. PDP's (Party of Democratic Progress) Spokesperson Igor Crnadak thinks that the conclusions of the RS Government are a result of previous activities and obligations and could not be related to Petritsch's visit. A member of the SDS's Main Board, Momcilo Novakovic, also suggested that the conclusions were related to the regular process of the RS laws' harmonization with the decision of the BiH Constitutional Court, and that it was the obligation of both entities to implement it.

DSP's (Democratic Socialist Party) Vice President Momir Malic stated that the process of constitutional changes was definitely speeded up after the visit of the High Representative. The Party for BiH's Zekerijah Osmic said that Wolfgang Petritsch was not satisfied with the work of the RS Government, which was confirmed by such a fast decision of the Government to support constitutional changes.

**AFP: Hundreds of Bosnian Serbs protest for post-**

## **war benefits**

Hundreds of Bosnian Serbs, whose family members were killed or listed as missing in the 1992-95 war, staged a protest Wednesday in Banja Luka demanding better social services. One demonstrator carried a banner showing a woman and two children visiting a grave, with the words: "Daddy we are homeless and hungry." Another said:

"For our dearest we got death certificates. Is that the only privilege we can count on?" Protesters shouted slogans demanding compensation for members of their families killed in the war, financial support for building tombstones, full health care, and late payment of pensions. Radojka Boric, head of the association which organized the protest, criticized the government of Republika Srpska (RS). "The hunger brought us here," she told AFP. "My husband died for this Republika Srpska, so now I expect the RS to do something for me," she said. "I have no means to support my children." RS Minister of Labor and War Veterans Dragan Solaja promised he would soon hold discussions with representatives from the association. According to the association, over 18,000 Bosnian Serbs were killed during the 1992-95 war in Repulika Srpska, while over 36,000 were injured. Some 28,000 children became orphans, while about 6,000 civilians and soldiers remain missing.

## **Ivanic and Dokic meet with CRA Director Jerker Torngren**

Glas Srpski reports that the Republika Srpska Prime Minister Mladen Ivanic and RS Minister for Traffic and Communications Branko Dokic met with Communication Regulatory Agency Director Jerken Torngren in Banja Luka on Wednesday. The main topic discussed at the meeting was a working program related to the general policy in the field of telecommunications, which the Agency forwarded to the BiH Council of Ministers. The conditions to extend deadlines for issuance of long-term licenses to the RS broadcasters were also discussed at the

meeting.

## **International Community**

### **Ante Ljubic bought Hercegovacka Banka shares with the Bank's money**

Johan Verheyden, the spokesman for Hercegovacka Banka Provisional Administrator Toby Robinson, on Wednesday announced preliminary results of the investigation into the Bank's financial operations saying that, under the general impression, a few people had been using the financial institution for their own purposes. Verheyden said that, for example, the Grude-based Antonio Trade private company, owned by Ante Ljubic, had bought 13.6% of the Hercegovacka Bank's shares by the money taken from the Bank. Asked whether Ljubic would be prosecuted for his illegal action, Verheyden said that all the investigation findings would be forwarded to the authorized BiH judicial institutions. He announced that the investigation was being continued and that due to a complex procedure it would last for months. (All Sarajevo electronic and print media reported prominently on the issue – attached are [ONASA](#) and [Vecernji List](#) reports on the Verheyden's press conference)

### **The High Representative amends the BiH Federation Law on Banks**

All BiH electronic and print media, as well as the Croatian Slobodna Dalmacija and Vecernji List report that [the High Representative, Wolfgang Petritsch, made a decision](#) on Tuesday to amend the BiH Federation Law on Banks.

### **BiH Federation Banking Agency says Petritsch's decision important step forward in protecting**

## **small depositors' interests**

According to FENA news agency and Oslobodjenje, in a press release issued on Wednesday, the BiH Federation Banking Agency assessed the decision of High Representative Wolfgang Petritsch to amend the entity Law on banks as an extremely important step forward in protecting the interests of the small depositors. The decision also represents an improvement of regulatory framework, as well as a presumption for strengthening confidence in the banking system, which will largely ease work of the Banking Agency itself, particularly when it comes to the establishment of a provisional administration, the release reads.

## **Vecernji List: Ljubic says paying back unfavorable loan**

(Provided by OHR Mostar)

Ante Ljubic, the owner of Antonio Trade and the leading shareholder of Hercegovacka Bank, stated for Vecernji List: 'The 2 million KMs loan was granted to me and I am meeting my liabilities on a regular basis. There are payment slips that can prove this statement. The loan was granted to me according to the regular procedure and with an unfavorable interest annual rate of 12%, although I am one of the bank's co-owners. It is known in BiH and Europe that my company is solvent.'

Asked whether he has given up of pressing charges against those, who destroyed the Bank, that the shareholders of the Bank have announced recently, Ljubic stated: 'We are still negotiating with a few Law Firms that should present our case. We have made initial moves, and now we are expecting their offers. The process will be certainly conducted before the Human Rights Court in Strasbourg, or even before American courts, which is very likely now.'

## **Vecernji List: Antonio Trade Company says Ljubic was paying back loan on regular basis**

(Provided by OHR Mostar)

The Steering Board of Antonio Trade denied the statements given by the Spokesperson of the Provisional Administration of the Hercegovacka Bank, claiming that until the closure of Hercegovacka Bank Ante Ljubic, the owner of the Bank, paid back the interest rate that amounts to 20, 000 KMs per month on a regular basis, while, according to the agreement, he was supposed to start to pay back the loan worth 2 million KMs in July this year. Denying Verhayden's statements people from Antonio Trade stated that during the talk with the Provisional Administrator, it was agreed to start paying back the loan as of January 1, 2002. Also, on September 25, Antonio Trade paid to the Provisional Administration the interest rate amounting to 51, 000 KMs, and by December 31 it has to pay about 100, 000 KMs.

## **Clifford Bond meets with top BiH Federation officials**

Oslobodjenje reports that newly-appointed US Ambassador to BiH Clifford Bond met on Wednesday in Sarajevo with the BiH Federation President Karlo Filipovic and his Deputy Safet Halilovic. Filipovic emphasized at the meeting that the BiH Federation was determined to join a world-wide fight against the terrorism. Bond announced even more assistance to the BiH's economic development to be provided by the United States. In the course of the day, Bond also met with BiH federation Prime Minister Alija Behmen.

## **Council of Europe determines BiH's post-accession obligations**

According to Oslobodjenje, the Political Affairs Committee of the Council of Europe's Parliamentary Assembly discussed at

its Wednesday session the amendments to the report of its special reporter Lazslo Surjan related to the BiH's accession to the Council, which had been submitted by the Council's Legal and Human Rights Committee. In a press release, the BiH Foreign Ministry said that the amendments were about the BiH's post-accession obligations. One out of ten amendments, which is in connection to the organizational structure of the armed forces in BiH, "was significantly changed."

## **Petritsch says supports the Alliance in spite of certain differences**

According to Dnevni Avaz, in an Tuesday evening interview with the Oscar C TV-station in Mostar, High Representative Wolfgang Petritsch said that the Government of the Alliance for Change was the first one having a political will to accept the challenge and take the things in its own hands. "Although we sometimes disagree, which creates an impression in public on a sort of political conflict, my sympathies are on the side of the Alliance, Petritsch said.

## **Slobodna Dalmacija: Petritsch says will not let individual Ministers to destroy Aluminij**

(Provided by OHR Mostar)

The High Representative, Wolfgang Petritsch, uttered a threat that those who committed criminal acts in Hercegovacka Banka would be brought to court.

"It will be corroborated very soon that acts of plunder and money laundering did take place in Hercegovacka Banka." Petritsch stated this in a television show broadcast on HTV Oscar-C in Mostar late Tuesday night that he was the guest of. He added that the Bank's management and individual politicians and shareholders robbed the Croat people.

Petritsch asserted that Hercegovacka Banka granted a total of 88 million KM in loans, which, he said, makes up 80% of the

Bank's deposit, whereas the ordinary procedure is that banks allocate an average of 15% of their deposit for loans.

He added that the loans amounting to a total of 88 million Marks that Hercegovacka Bank gave out, have not been paid back, and he took the opportunity to appeal to the shareholders to return the money in order to save the Bank. Petritsch promised to make sure that small depositors of the Bank be compensated with up to 5,000 KM.

In April this year, officials of the International Community, assisted by SFOR, confiscated over a million documents of Hercegovacka Banka on the grounds of suspicions that this financial institution operated illegally. Petritsch claims that the officials of the International Community were physically attacked while conducting the audit in Hercegovacka Banka. On that occasion, 18 of them were injured and some were taken hostage and received death threats, so that SFOR were called to help.

Commenting on the events related to Aluminij Mostar, whose management the Sarajevo-based media have accused of plundering state owned property, requesting that a new audit be conducted in the company, Petritsch said he was personally "not going to let this very successful company be destroyed."

"I do not care and I am not concerned about the fact that Sarajevo media write negative reports of me wishing to help the Aluminum Factory," said Petritsch. Some of the Bosniak Ministers have recently disputed in public the audit report produced by an international team, whose formation was initiated by the OHR. The report reads that there were no irregularities in the transition of Aluminij's ownership structure.

Petritsch claimed to believe that "the Federation Government realized that they must act responsibly."

Petritsch also accused the Republika Srpska Government of

holding the greatest share of responsibility for the slow return rate of Croats to Bosanska Posavina. In addition, he accused the HDZ of discouraging Croats, for years, from returning to their pre-war homes and of calling them to settle in Herzegovina.

Petritsch also thinks that no importance was ascribed to the return to Bosanska Posavina before the death of Franjo Tudjman and that "the problem of Bosanska Posavina was being passed over in silence" during the Tudjman rule. He admitted that the International Community has not done enough as far as the return to Posavina is concerned. **Vjesnik carries a similar, but shorter account of the High Representative's appearance on HTV Oscar-C.**

## **The Hague will not raise indictment against Alija Izetbegovic?**

Both Republika Srpska dailies carry a statement of The Hague Tribunal's Spokesperson Florence Hartman, who stated that media speculations about the alleged Chief Prosecutor Carla Del Ponte's intention to issue an indictment against the Bosniak wartime leader Alija Izetbegovic made no sense. Recently, a magazine from the RS, according to information from the source from Serbian Justice Ministry, published that Carla Del Ponte also informed authorities in Belgrade that indictment against Izetbegovic would be issued.

## **Editorials:**

### **Oslobodjenje and Dnevni Avaz**

In the Oslobodjenje In Focus column, Zija Dizdarevic writes in an extremely negative manner on the Republika Srpska Serb Democratic Party's (SDS) work and politics of "rigid Great-Serbian's attitude, Orthodox fundamentalism and chauvinistic hegemony " from its establishment until these days. Gojo Beric



wrote in another editorial on the Oslobodjenje second page on what BiH citizens might expect from the accession to the Council of Europe. He concludes that the ordinary citizens burdened with every day difficulties will not applaud to Lagumdžija and Tokić just because they have members of the Council. In the Avaz Commentary of the Day, Faruk Čardžić assessed as unbelievable a fact that nowadays, six years after the signing of the Dayton Agreement, there were even 15,000 double occupants of the housing units in BiH.