Chronology/Monthly Tracker, February 2002

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FEBRUARY

Summary

February was dominated by efforts jointly made by the representatives of the eight leading political parties in BiH (SDP BiH, Party for BiH, SDA BiH, HDZ BiH, NHI BiH, PDP RS, SDS RS and SNSD RS) and the International Community headed by the High Representative, Wolfgang Petritsch, to agree the optimum method for the full and consistent implementation of the BiH Constitutional Court's ruling on the constituency of peoples. At two meetings without the High Representative (1 and 20 February) and another two with his participation (13 and 26 February), the BiH political leaders sought to reach a compromise on the most hotly disputed issues including the definition of vital national interests, the mechanisms to protect them and the representation of the constituent peoples in the institutions in both Entities. Although a final solution was not immediately found, the initially quite opposite positions of the different political parties on these issues were brought closer paving the way for a more constructive continuation of the talks. Both at the meetings and in his public comments, the High Representative reiterated that a domestic solution, with the support of the International Community, had to be found and that local

politicians had to take responsibility for the issue.

The constitutional changes were also a topic at a meeting of the Consultative Partnership Forum on 14 February. The participants concluded that the constitutional reforms had to be implemented by around 15 March. “The BiH Constitutional Court’s ruling on the constituency of peoples must be implemented by the domestic institutions,” BiH Council of Ministers Chairman Zlatko Lagumdzija told journalists following the meeting, thereby supporting the position previously expressed by the High Representative. The Forum also discussed preparations for the general elections scheduled for 5 October, the status of implementation of the Citizens’ Identification Protection System (CIPS) and the need to speed up activities to establish the BiH Court.

The High Representative’s standpoint that the BiH authorities must find a final solution for the implementation of constitutional reform was also strongly supported by the Peace Implementation Council’s Steering Board, which, on 28 February met in Brussels at the level of Political Directors. “The Steering Board is encouraged by the recent re-enforced efforts by BiH political leaders to find agreement among themselves in the implementation of the ‘Constituent Peoples’ Decision,” read the Steering Board Communique. “However, time to achieve a solution that will permit the elections to proceed as scheduled is fast running out. The Steering Board therefore strongly urges the political leadership in the country to focus on achievable solutions and to reach a final agreement on this matter, and welcomes the recognition by the BiH political leaders that this must be done by mid-March 2002. Failure to demonstrate ‘ownership’ on this issue would have serious negative consequences and would retard BiH’s integration into European structures. On the other hand a domestic resolution would not only allow for the proper conduct of the October 2002 General Elections but would also serve as proof that BiH is indeed ready for forthcoming

admittance to the Council of Europe."

At the meeting, the Steering Board also endorsed the refined Task Force Model as presented by the High Representative. "This model will facilitate the development of a still more effective international presence, thus strengthening the role of the High Representative. It includes Rule of Law, Institution Building, Economic, and Return & Reconstruction Task Forces, a Cabinet of lead agencies chaired by the High Representative, and a Situation Group. The Steering Board welcomes this framework and the appropriate integration of BiH authorities into these structures. It also endorses the presented measures aimed at achieving closer and more efficient co-ordination in the field and at reducing IC field presence by 30% by the end of 2003," the Communique read.

The Steering Board also endorsed the reinvigorated strategy for judicial reform in 2002/03 in order to strengthen Rule of Law efforts, as proposed by the High Representative. In this context, it recognises the importance of the creation of a High Judicial Council for BiH as well as the reform of key procedural laws. The Steering Board welcomed the work of the BiH Election Commission in preparing the first general elections under local responsibility, to be held on 5 October this year. It underlined the responsibility of BiH political leaders and institutions to ensure that citizens are able to exercise their democratic rights. The Steering Board noted with regret High Representative Wolfgang Petritsch´s announcement that he would stand down as High Representative at the end of May 2002. It warmly congratulated High Representative Petritsch for his extraordinary commitment to the development of BiH and to the peace process. The Board emphasised that there has been considerable progress during his tenure over the last two and a half years in many key areas, and noted that as a result of the High Representative's efforts BiH is substantially more stable and democratic, and closer to Europe than when he assumed office. The Steering

Board designated Lord Paddy Ashdown as the new High Representative for Bosnia and Herzegovina, according to the nomination put forward by the EU, and asked the United Nations Security Council to endorse his appointment.

On 18 February in Brussels, the High Representative, Wolfgang Petritsch, addressed the foreign ministers of the European Union, at the EU's General Affairs Council. The High Representative highlighted the fact that BiH has moved forward in the past three years and a basic – yet solid – foundation has been put in place on which to build a viable and stable state capable of meeting its responsibilities to its citizens as well as its international obligations. He called upon the EU Foreign Ministers to engage BiH and provide it with a clear and achievable perspective as a supportive yet demanding partner. At their meeting, the EU Foreign Ministers agreed on the establishment of an approximately 500-member EU police mission in BiH, which will replace the current IPTF after its mandate expires at the end of December 2002.

Apart from his endeavours related to the constitutional reforms and his meetings in Brussels with the EU Foreign Ministers and PIC Steering Board members, in the course of the month the High Representative visited Mostar (1 February) where he held the fourth Civic Forum, focusing on the unsatisfactory state of BiH's ethnically segregated education system, which is particularly evident in Mostar with its two universities. The High Representative also visited London (6 February) where he met with British Foreign Secretary Jack Straw and other top Foreign Office and British parliamentary officials, briefing them on the political, economic and social situation in BiH, and he went to Travnik (12 Febuary) to meet with Canton Six officials and open a new OHR Office.

On 24 and 25 February, the High Representative visited Belgrade, meeting with FRY President Vojislav Kostunica and Foreign Minister Goran Svilanovic, and Serbia's Prime Minister Zoran Djindjic. Discussions focused on implementation of the

Dayton Peace Agreement and on the increasingly positive state-to-state relations between BiH and the FRY. During these meetings, the High Representative briefed his interlocutors on issues such as the process of constitutional reform currently underway in BiH's Entities. He also again highlighted the need for cooperation with the Hague Tribunal, stressing that the FRY as a signatory of the Dayton Peace Agreement is obliged to ensure that those indicted of war crimes face justice.

BiH-FRY relations were further strengthened during the month of February thanks to a meeting of the BiH/FRY Inter-State Council in Belgrade, during which BiH Foreign Minister, Zlatko Lagumdzija, and his Yugoslav counterpart, Goran Svilanovic, agreed that BiH and FRY will, in the next few months, sign a series of bilateral agreements, resolve the outstanding issue of dual citizenship, and have the Free Trade Agreement ratified. In addition, a BiH parliamentary delegation visited Belgrade.

February 1

- At the invitation of the chairman of the BiH Social Democratic Party (SDP BiH), Zlatko Lagumdzija, representatives of the eight strongest political parties from both Entities meet in Sarajevo to continue discussions about constitutional changes. The leaders of the SDP, Party for BiH, NHI, SDA, HDZ, SDS, PDP and SNSD decide to meet again soon.
- At a session in Sarajevo, members of the Federation Constitutional Commission agree on a final version of the proposed changes to the Entity Constitution, which will be sent to the Federation Government for consideration and adoption and then on to the Federation Parliament.
- On the second day of his two-day visit to Mostar, the High Representative, Wolfgang Petritsch, holds the fourth session of the Civic Forum in Mostar. Much of the three-hour discussion revolves around problems in the

field of education. The participants – eleven representatives of civic society – express dissatisfaction with the ethnically divided condition of the BiH education system, which is particularly evident in Mostar with its two universities, low education standards and lack of public funds for education. The High Representative also pays a visit to the Jewish Community of Mostar and meets with students from both universities. (Press Release: HR visits Mostar and holds fourth Civic Forum – February 2, 2002)

- In Mostar, the High Representative dismisses, once again, the idea of a third Entity in BiH, which is put forth by representatives of the so-called "Croat National Assembly" (HNS). "The attempt to create parallel structures is destined to failure," Petritsch tells journalists. "The removal of Ante Jelavic (from the post of HDZ President) is the best warning that such projects – self-rule and/or a third Entity – will not succeed." The High Representative adds that he personally will ensure that the equality of the Croat people in BiH continues to be secured in the upcoming process of constitutional reform. "Croats are not a national minority, but a constituent people and will have the same rights as the other peoples in BiH," Petritsch says. He also pays a visit to the Jewish Community of Mostar, and meets with students from both universities.
- In Belgrade, the BiH Minister of Foreign Trade and Economic Relations, Azra Hadziahmetovic, and her Yugoslav counterpart, Miroljub Labus, sign a Free Trade Agreement between the two countries in the version that was initialled by the members of an inter-state experts' group on 13 December in the FRY capital.
- At a meeting in Sarajevo, the Chairman of the BiH Council of Ministers, Zlatko Lagumdzija, BiH Treasury Minister Ante Domazet and BiH Minister of Civil Affairs and Communications Svetozar Mihajlovic on behalf of the

BiH Council of Ministers meet with ambassadors, representatives of the OHR and the OSCE mission to BiH to discuss the organization of the October general elections. It is agreed that the International Community will help the BiH authorities finance the October general elections. Domazet explains that BiH needs a total of 11.4 million KM to organise the upcoming elections. He says both BiH Entities will earmark some funds from their respective budgets, while the BiH State will provide 1.2 million KM.

February 4

- During a visit to Banja Luka, the Principal Deputy High Representative, Donald Hays, meets separately with RS President Mirko Sarovic and RS National Assembly Speaker Dragan Kalinic. They discuss the pending constitutional changes, the financing of the armed forces in the RS and Federation, and reform of the educational system and the judiciary. Hays tells journalists that the elected leadership in both Entities must reach an agreement on the constitutional changes, adding that the OHR would be very disappointed if there were no compromise on this issue. “Constitutional reforms are fundamental reforms in the case of BiH,” emphasises Hays. Regarding the defence budgets, a press release from the cabinet of the RS President states that, “It was jointly concluded that the financing of the army has to be in accordance with economic capabilities, which requires a reduction in the number of soldiers in the RS Army as well as in the Federation.”

February 5

- At the regular press conference in Sarajevo, OHR spokesperson Mario Brkic says that the High Representative, Wolfgang Petritsch, expects the State-level Law on De-mining to be adopted at the next session

of the BiH House of Representatives, scheduled for 12 February. “The proposed State-level legislation will, for the first time, put de-mining in BiH under a formal legal framework, creating the necessary government structure to administer, manage and control de-mining activities in BiH under the Ministry of Civil Affairs and Communication’s De-mining Commission and the BiH Mine Action Centre,” says Brkic. (Press Release: HR for urgent passage of DE-mining Law – 5 February 2002)

- At a session in Sarajevo, the members of the BiH Presidency agree not to modify the proposed 2002 State budget, which has already been submitted to the BiH Parliament for discussion and adoption. The proposed budget will thus contain the provision financing BiH’s legal representative in BiH’s lawsuit against Yugoslavia before the International Court of Justice. After reviewing OHR’s legal opinion on this matter, the members of the Presidency agreed that there is no legal basis for vetoing the proposal.

February 6

- During a visit to London, the High Representative, Wolfgang Petritsch, meets with British Foreign Secretary Jack Straw and other top Foreign Office and British parliamentary officials, briefing them on the political, economic and social situation in BiH. The High Representative emphasises the importance of the constitutional reform process, stressing the need for compromise and ownership of the process by BiH’s political leadership. (Press Release: HR holds talks with British Foreign Secretary – 6 February 2002)
- The Secretary General of the Council of Europe, Walter Schwimmer, meets with representatives of both chambers of the BiH Parliamentary Assembly in Sarajevo and reminds them that BiH will still have to meet 91 post-accession requirements after its accession to the

Council. The Chairman of the BiH House of Representatives, Zeljko Mirjanic, informs Schwimmer that the High Representative has not imposed a single State-level law since the formation of the new Parliament. Mirjanic's colleague from the House of Peoples, Sejfudin Tokic, stresses that the post-accession obligations also include fundamental constitutional reform, which will ensure the full protection of the vital national interests of all peoples and citizens in both Entities.

- At a session in Sarajevo, the BiH Council of Ministers concludes that the BiH and Federation authorities acted in accordance with the law and relevant international conventions when, on 18 January, they handed over to US authorities six individuals suspected of planning terrorist actions against US targets in BiH. The Council also decides to push the investigation into the circumstances under which 750 naturalised BiH citizens received BiH citizenship.

February 7

- Following a meeting with the High Representative, the Secretary General of the Council of Europe, Walter Schwimmer, tells journalists that BiH's accession to the Council could be brought into question if the BiH authorities fail to organise the general elections scheduled for October.

February 8

- The High Representative, Wolfgang Petritsch, issues two Decisions that will support and simplify the reconstruction of National Monuments identified by the "Commission to Preserve National Monuments," which is envisaged in Annex 8 of the Dayton Peace Agreement. (Press Release: HR imposes Entity laws on National Monuments – 9 February 2002)
- At a press conference in Banja Luka, UN/IPTF spokesman

Alun Roberts announces that the trials of 16 persons suspected of active involvement in the violent riots in Banja Luka on 7 May last year, which prevented the laying of the cornerstone for the reconstruction of the Ferhadija mosque, are expected to start early in March this year. He says the police investigation into the case has been completed, and that all the documentation has been forwarded to the responsible prosecution.

- The Enforcement Panel of the Communications Regulatory Agency (CRA) finds that RTRS breached the Broadcasting Code of Practice by airing the program "10 years of Republika Srpska," which violated the requirement for "fair and impartial programming," and by broadcasting two movies for which it had not obtained the copyrights. The Panel sets a fine of 5,000 KM and decides to bring this issue to the attention of the High Representative as the OHR is currently restructuring the public broadcasting system in BiH, of which RTRS is part.

February 9

- Addressing an international conference in Sarajevo on lessons that can be learned from the international intervention in BiH, organised by the Soros Foundation's Open Society Fund, the High Representative, Wolfgang Petritsch, urges BiH politicians to reach agreement quickly on proposals to make the Entity Constitutions conform to the BiH Constitutional Court's ruling on the constituency of peoples across the territory of BiH. "The leaders of Bosnia and Herzegovina are working against the clock. I believe that collectively they now possess the skill and the vision to find a workable and durable solution. The very fact that they are meeting without international mediation in an attempt to solve a question that is crucial to the future of the country, is a positive sign," says the High Representative. (Press Releases: HR calls on BiH politicians to show

statesmanship and breadth of vision – February 9, 2002)

- In Sarajevo, representatives of the Congress of Bosniak Intellectuals (VKBI), the Serb Civic Council (SGV), the Croat National Council (HNV) and Circle 99, discussing amendments to the Entity Constitutions, conclude that the introduction of a House of Peoples in the RS would be the best mechanism to ensure the rights of all three peoples.
- In an interview with the Serb news agency (SRNA), the High Representative Wolfgang Petritsch says he believes the 1991 census is an "acceptable mechanism" to be used as a basis for the ethnic composition of the RS Government.

February 10

- In an article published in Oslobodjenje, the High Representative, Wolfgang Petritsch, explains his views of current developments in BiH. "In the two and a half years since I became High Representative, I have found myself repeating the phrases 'institution building' and 'rule of law' again and again – not because they have some sort of mantra-like power, but because they are shorthand for the body of legislation and practice which a modern democracy needs in order to function," Petritsch writes. "They sum up the mechanics of government. For six years, the mechanics of government in Bosnia and Herzegovina have been built around the Dayton Peace Agreement. We have learned on the job, and we have witnessed the remarkable capacity of the Dayton settlement to accommodate changing circumstances. Now, the Europeanisation of Bosnia and Herzegovina has taken centre stage. Alongside the implementation of Dayton, current political debate is addressing the best way of securing a place for the people of Bosnia and Herzegovina in the prosperous European mainstream."

February 12

- The trial of former FRY President Slobodan Milosevic opens before the ICTY in The Hague. He is charged with genocide during the 1992-95 war in BiH and crimes against humanity during the wars in Croatia (1991-92) and Kosovo (1999).
- At a press conference in Sarajevo, OHR Spokesman Oleg Milisic says the trial of Slobodan Milosevic is a historic opportunity to identify those responsible for the tragedy that people in this region endured during the 1990s. "The High Representative has complete confidence in the objectivity of the Hague Tribunal and its capacity to fulfil its responsibility to the people of the former Yugoslavia," he says. "The Tribunal's proceedings are also in the interest of the Serb people, who are pursuing a path towards a new future, impossible until a clear line has been drawn above the past and this is true in Bosnia and Herzegovina, perhaps more than anywhere. The High Representative reiterates the fact that open indictments remain against Radovan Karadzic and Ratko Mladic, who are still at large, as are several others," Milisic says.
- The BiH House of Representatives passes the Law on De-mining, thereby completing the necessary parliamentary procedure for adoption of the Law. A day later, the High Representative expresses his satisfaction that the BiH Law on De-Mining has been successfully adopted by the BiH Parliamentary Assembly. This Law establishes the legal foundation for the development of joint structures and standards that will be applied in de-mining activities throughout BiH, enhancing transparency and efficiency. (Press Releases: HR welcomes passage of De-Mining Law – February 13, 2002)
- At a press conference after a meeting of BiH political parties with a Croat prefix in Sarajevo, the President of the Croat People's Alliance (HNZ), Milenko Brkic,

announces that the HDZ has agreed to fill its seats in the Federation House of Peoples. The participants of the meeting – including Ante Jelavic (HDZ), Ilija Simic (HSS), Mile Ivancic (Union of Croat Christian Democrats – HKDU), Petar Milic (Croat Christian Democrats), Anto Paponja (HKDP), Stjepan Kljujic (not in his capacity as President the Republican Party, but privately) and Mariofil Ljubic (HDZ, Deputy Speaker of the BiH House of Representatives) – also agree that Houses of Peoples as mechanisms to protect vital national interests should exist in both Entities. The NHI was also represented at the meeting, but only as an observer.

- The High Representative, Wolfgang Petritsch, visits Travnik, where he opens the new OHR office in the town and holds talks with Canton 6 officials. The topics include the return process and the Canton's difficult budget situation. (Press Release: HR visits Travnik – February 12, 2002)
- In a statement for Dnevni Avaz, the BiH Federation Minister of Urban Planning, Ramiz Mehmedagic, welcomes the High Representative's Decision on National Monuments, saying it will ensure their restoration without complicated procedures. He also says that the Commission for the Preservation of National Monuments, established in accordance with Annex 8 of the Dayton Peace Agreement, is expected to process approximately 800 requests this year and decide which facilities are of national importance.
- At a press conference in Sarajevo, the BiH Minister of Foreign Trade and Economic Relations, Azra Hadziahmetovic, says that BiH is launching a country-wide campaign against poverty by first combating corruption, which has produced revenue losses of more than two billion KMs so far.

February 13

- At a meeting organised by the High Representative, Wolfgang Petritsch, in Sarajevo, the leaders of the eight leading political parties in BiH continue their discussions on the crucial issue of amendments to the Entity Constitutions in accordance with the BiH Constitutional Court's ruling on the constituency of peoples. The High Representative urges the party leaders to intensify their efforts and present a solution as soon as possible. He reiterates that time is running short, especially with regard to the upcoming elections and the necessity of filling the gaps in the Election Law. The meeting at the OHR building in Sarajevo is attended by Zlatko Lagumdzija (SDP), Safet Halilovic (Party for BiH), Kresimir Zubak (NHI), Sulejman Tihic (SDA), Mariofil Ljubic (HDZ), Mladen Ivanic (PDP), Dragan Kalinic (SDS), and Milorad Dodik (SNSD). (Press Release: HR met with political parties – February 14, 2002)
- At a joint press conference in Sarajevo, the agencies engaged in the Property Law Implementation Plan (PLIP) present the 2001 results achieved through the property repossession process, welcoming sustained progress. As of the end of last year, 102,609 property claims in BiH had resulted in repossession (41% of all submitted claims). This amounts to 64,257 repossessions in the Federation (49% of the claims in that Entity); 35,649 repossessions in the RS (31% of the claims) and 2,703 repossessions in Brcko (39% of the claims). The High Representative, Wolfgang Petritsch, the Head of the OSCE Mission to BiH, Robert Beecroft, the Chief of the UNHCR Mission to BiH, Werner Blatter, CRPC Chief Executive Steven Segal and the Head of UNMIBH's Civil Affairs, Jacque Grinberg, make the point that property law implementation is of crucial importance for the return of refugees and displaced persons, for foreign

investment and for BiH's integration in Europe . (Press Release: PLIP PL implementation rate – February 13, 2002)

- At a session in Banja Luka, the Government of the RS increases pressure on ICTY fugitives to surrender. The cabinet decides to set a 30-day deadline for indictees to give themselves up if they want any government guarantees, such as those securing them a provisional release pending trial. The countdown to the deadline will start eight days after the decision is published in the RS Official Gazette.

February 14

- At a meeting in Sarajevo, the members of the Consultative Partnership Forum conclude that the constitutional reforms have to be implemented in a month, which means around 15 March. "The BiH Constitutional Court's ruling on the constituency of peoples must be implemented by the domestic institutions, with the assistance of the International Community," Zlatko Lagumdzija, Chairman of the Council of Ministers, tells journalists after the meeting. The High Representative, Wolfgang Petritsch, again expressed his confidence that the Entities Constitutions will be harmonized with the BiH Constitution. Apart from the constitutional reforms, the Forum members also discuss preparations for the elections scheduled for 5 October, details of the implementation of the Citizens' Identification Protection System (CIPS) and the establishment of the BiH Court. The session is attended by all ministers of the Council of Ministers: BiH Minister of Civil Affairs and Communications Svetozar Mihajlovic, BiH Treasury Minister Ante Domazet, BiH Foreign Trade and Economic Relations Minister Azra Hadziahmetovic, BiH Minister for European Integration Dragan Mikerevic and BiH Minister for Human Rights and

Refugees Kresimir Zubak.

- Under the eight-month rotation rule, the Bosniak member of the BiH Presidency, Beriz Belkic, assumes the duties of the Chairman of the BiH Presidency, succeeding his Croat colleague Jozo Krizanovic. The hand-over ceremony is attended by top international officials in BiH, including the High Representative, and representatives of BiH's State institutions headed by the Chairman of the BiH Council of Ministers, Zlatko Lagumdzija.

February 15

- The High Representative, Wolfgang Petritsch, meets with the Dutch Foreign Minister, Jozias van Aartsen. The High Representative informs Minister van Aarsten about current developments in BiH. However, he notes that the country is facing serious challenges, especially with regard to the implementation of the Constitutional Court's Decision on the constituency of peoples, and the upcoming elections. The High Representative reiterates that time for making the necessary amendments to the Entity Constitutions is running short as the gaps left in the Election Law must be filled in time for all the elections scheduled for October to be held under the Election Law. (Press Release: HR meets with Dutch Foreign Minister – 15 February 2002)
- During a visit to Banja Luka, the Chief Prosecutor of the ICTY, Carla Del Ponte, meets with RS authorities and expresses her dissatisfaction with the level of the Entity's co-operation with The Hague. "I am very frustrated with this, and I came to see why there is no full co-operation with the Tribunal, in particular with regard to the arrest of those who are at large," Del Ponte tells journalists after a meeting with the RS Prime Minister, Mladen Ivanic. Del Ponte informs the press that the ICTY has submitted to the RS Ministry of Justice warrants for the arrest of 16 indicted war

criminals who are still at large.

February 16

- Representatives of Croat parties from BiH visit Zagreb and hold talks with the Croatian Prime Minister, Ivica Racan. Following the meeting, Racan tells journalists that the purpose of this gathering was to “contribute maximally to the stability of neighbouring BiH.” He says that this is the reason for the Croatian government’s interest in the constituent status and equality of all three peoples in BiH. The delegation of BiH Croat parties includes leaders of the NHI (New Croat Initiative), HSS (Croat Peasant Party), HDZ, HNZ (Croat Peoples Union), Republicans, HSP (Croat Party of Rights), HKDU (Croat Christian Democratic Union), and the People’s Party “Working for Prosperity”. On the Croatian side, the meeting is also attended by the Croatian Foreign Minister, Tonino Picula, Deputy Prime Minster Goran Granic and the President of the Parliament’s Foreign Policy Committee, Zdravko Tomac. The meeting provokes numerous reactions in BiH. Although there is a general agreement among the Alliance parties that there is nothing wrong with consultations such as this with a neighbouring country, there is lingering scepticism stemming from the period in which BiH’s neighbours did not want to let the country resolve its internal problems on its own.

February 18

- During a meeting of the EU’s General Affairs Council in Brussels, the High Representative, Wolfgang Petritsch, addresses the EU foreign ministers, updating them on the peace process in BiH. Describing progress in the fields of return, economic reform and consolidation of State institutions, the High Representative highlights the fact that BiH has significantly moved forward in the

past three years. He says a basic – yet solid – foundation has been put in place on which it is possible to build a viable and stable state capable of meeting its responsibilities to its citizens as well as its international obligations. He calls upon the EU to engage with BiH and, as a supportive yet demanding partner, provide it with a clear and achievable perspective. In the course of his visit to Brussels, the High Representative also meets with Austrian Foreign Minister Benita Ferrero-Waldner, Croatian Foreign Minister Tonino Picula, and the Special Coordinator of the Stability Pact, Erhard Busek. (Press Release: HR addresses EU GAC – February 19, 2002 and Speech)

- At their meeting in Brussels, the EU Foreign Ministers agree to take on the police follow-on mission in BiH, which will replace the current IPTF after its mandate expires at the end of December 2002. The mission will cost around 38 million Euros per year and will last until around 2005. "It's the first time we have taken a decision of this sort putting into practice the common security and defence policy to which the 15 member-states committed themselves a decade ago," Spanish Foreign Minister Josep Pique says at a news briefing following the session. Pique, whose country holds the rotating EU presidency, adds that the EU Police force will comprise 466 officers, plus 67 expatriate civilians and 289 local staff.
- During the meeting with Croatia's Foreign Minister Tonino Picula, the High Representative discusses the ongoing constitutional changes in BiH. According to a communiqué issued by the Croatian Mission to the EU afterwards, the two officials agreed that solutions that are acceptable to all the peoples must be found in the spirit of compromise and democracy. Picula also informed the High Representative about his recent meeting with representatives of Croat parties in BiH. According to the communiqué, he said that Croatia did not want to

remain passive in the ongoing debate about constitutional changes in BiH. Picula stressed that Croatia's authorities were ready to discuss this issue with representatives of all other parties in BiH. In a statement for Dnevni Avaz, the High Representative says he informed Picula that the process of constitutional change must be agreed within BiH. He said he told Picula that "this must be a BiH solution, and the main actors are the three constituent peoples in BiH."

February 19

- The High Representative, Wolfgang Petritsch, appoints Paul Martin from Canada Deputy High Representative and Head of the OHR Banja Luka Office. (Press Release: HR appoints new Head of OHR Banja Luka)
- Representatives of the OSCE Mission to BiH and the BiH Treasury Ministry chair a meeting on financing the general elections scheduled for October. OSCE spokesperson Urdur Gunnarsdottir tells the ONASA news agency that more than 30 ambassadors and representatives of international organisations were invited to the meeting. Earlier, the Head of the OSCE Mission to BiH, Robert Beecroft, and the BiH Treasury Minister, Ante Domazet, said that BiH will need support in order to finance the upcoming elections, which will cost around 11 million KM. Domazet stressed that BiH authorities have already secured one third of the necessary funds and urged the International Community to provide the additional 7.6 million.
- At a meeting of the BiH/FRY Inter-State Council in Belgrade, the BiH Foreign Minister, Zlatko Lagumdzija, and his Yugoslav counterpart, Goran Svilanovic, agree that BiH and FRY will, in the next few months, sign a series of bilateral agreements, resolve the outstanding issue of dual citizenship and have the Free Trade Agreement ratified. The two officials conclude that

relations between BiH and FRY are on the upswing.

February 20

- In Sarajevo, the leaders of the eight main parties in the Federation and Republika Srpska meet for the third time amongst themselves to discuss the necessary constitutional changes in the Entities in an attempt to reach a compromise that would be acceptable to all sides. Although no final agreement on the issues under discussion is reached, the participants express the hope that further progress will be made in resolving the outstanding issues by Monday, 25 February, when they are to meet with the High Representative. Today's meeting is attended by Zlatko Lagumdzija and Ivo Komsic (SDP), Safet Halilovic (Party for BiH), Sulejman Tihic (SDA), Kresimir Zubak (NHI), Niko Lozancic and Mariofil Ljubic (HDZ), Mladen Ivanic (PDP), Dragan Kalinic (SDS) and Nebojsa Radmanovic (SNSD).

February 21

- In his speech to an economic conference in Sarajevo organised by Britain's "Economist" newspaper the Principal Deputy High Representative, Donald Hays, calls for a renewed show of political will on the part of the leaders of BiH in order to establish the conditions for economic lift-off and deliver real benefits to citizens. Ambassador Hays acknowledges that there has been a positive change in BiH politics since the Alliance for Change came to power and placed economic development at the top of the political agenda. He says that establishing the necessary framework for sustainable development has been an incremental process, but has accelerated over the past year. He adds that a successful outcome of the constitutional discussions aimed at implementing the Constitutional Court's decision on the constituency of peoples, and the

introduction of a four-year electoral cycle after the next elections will help normalise BiH politics. (Press Release: PDHR Hays addresses The Economist conference – February 21, 2002)

- At a session in Sarajevo, the BiH Council of Ministers adopts an action plan to remove barriers to investment. The plan has the agreement of foreign experts and investors as well as Entity institutions. After the meeting, BiH Minister of Civil Affairs and Communications Svetozar Mihajlovic tells journalists that this action plan provides for measures to be taken by both BiH Entities and the BiH Council of Ministers in the fields of business legislation, foreign investment, the legal and administrative system, labour legislation, the tax system and customs administration in order to create a more propitious environment for foreign investment. Mihajlovic explains that the adoption of this action plan was one of the prerequisites for obtaining a new loan from the World Bank, intended for the improvement of the business environment.
- At a press conference in Sarajevo, the BiH Minister of Civil Affairs and Communications, Svetozar Mihajlovic, says that the issuance of new ID cards for BiH citizens could start on 15 June 2002. He says in 2002 it will be necessary to appropriate 15 million KM under the State budget to implement the CIPS project, including purchase of the required printing equipment. Mihajlovic explains that this substantial budget appropriation should be covered by expected proceeds from the sale of the ID cards.
- At a session in Banja Luka, the Republika Srpska Government adopts and forwards to the RS National Assembly a draft Law on RTRS which is not in accordance with the draft produced by a joint working group comprising representatives of the OHR, the RTRS Board of Governors and the RS Government.

February 22

- The two-day economic conference organised by Britain's "Economist" newspaper ends in Sarajevo. On the second day of the conference, the participants are addressed by BiH Central Bank Governor Peter Nicholl and RS representatives: President Mirko Sarovic, Prime Minister Mladen Ivanic and Finance Minister Milenko Vracar. "The RS has so far not been interesting to foreign investors because it provokes associations with the war, corruption and crime." Ivanic is reported as saying. "I can understand that. But the RS has been changed now, and we are entering an important period during which all kinds of investment will be encouraged."

February 23

- In an interview with the German news magazine "Der Spiegel," Serbian Prime Minister Zoran Djindjic signals his unwillingness to hunt down Ratko Mladic, the wartime commander of the RS Army and one of the most wanted war crimes suspects, saying it could result in civil war. Djindjic says that over the last five years troops from the 50,000-strong NATO peacekeeping contingent in BiH and the full resources of the West's intelligence services have failed to secure Mladic's capture. "Am I now to risk the lives of our police so that Mladic and his 100-strong personal guard can be served up at the table in The Hague? What if it caused civil war to break out? We have over 200,000 refugees from Bosnia, many of them armed. The price is too high," Djindjic says.

February 24

- At the start of a two-day visit to Belgrade, the High Representative, Wolfgang Petritsch, meets with the Yugoslav Foreign Minister, Goran Svilanovic. Petritsch asks Svilanovic to support the return of Serb refugees

to BiH, having in mind that the largest number of BiH refugees abroad are the ones temporarily living in the FRY. “The High Representative emphasised that the statistics show that the year of 2001 was positive when it comes to the return of refugees,” OHR spokesman Oleg Milisic tells Dnevni Avaz from Belgrade. “However, much still has to be done. He suggested that Yugoslavia and its administration explore ways in which they might contribute to the resolution of this issue, through the establishment of a returns commission or through financial support to the returnees.” In the course of the day, the High Representative also meets with Serbia’s Vice Prime Minister Zarko Korac. The two officials discuss the implementation of the Dayton Agreement and the further development of bilateral relations between BiH and the FRY.
- At the third party congress held in Banja Vrucica near Teslic, the Socialist Party of the RS (SPRS) elects Petar Djokic the new party president. Djokic wins 231 votes in the second round, while the current chairman Zivko Radisic wins 190 votes.

February 25

- On the second day of his two-day visit to Belgrade, the High Representative, Wolfgang Petritsch, meets with FRY President Vojislav Kostunica and Serbia’s Prime Minister Zoran Djindjic. Their discussions focus on the implementation of the Dayton Peace Agreement in BiH and the increasingly positive state-to-state relations between BiH and the FRY. (Press Release: HR’s Belgrade Visit – February 25, 2002)
- At the same time, a BiH parliamentary delegation is visiting Belgrade. “Political, economic and cultural relations between the FRY and BiH are being improved in an accelerated way, which can serve as an example of the successful development of good neighbourly relations in

the region," the Speaker of the FRY House of Citizens, Dragoljub Micunovic, tells journalists in Belgrade following a meeting with the BiH parliamentary delegation headed by Zeljko Mirjanic, the Chairman of the BiH House of Representatives, and Sejfudin Tokic, the Speaker of the BiH House of Peoples. This is the first official visit of BiH parliamentarians to Yugoslavia.

- In Sarajevo, the BiH Presidency meets with officials of the Sarajevo ICTY office, representatives of the BiH judiciary and the public prosecutor's office, and BiH officers for liaison with ICTY. The topic of the meeting is an initiative launched by ICTY Chief Prosecutor Carla Del Ponte to set up a court in BiH to process war crimes. The Presidency decides to establish a three-member team of experts tasked with speeding up the takeover of the processing of war crime cases from the Hague tribunal in line with Del Ponte's initiative. The team comprising Slobodan Radulj, Kasim Trnka and Davor Bogdanic is also charged with organising a meeting with ICTY representatives in BiH, the OHR and the UNMIBH in order to secure expert and financial support for future activities.

February 26

- At a second meeting held in the OHR building in Sarajevo at the initiative of the High Representative, Wolfgang Petritsch, the leaders of the eight leading political parties in BiH continue their talks on the implementation of the Constitutional Court's decision on constituent peoples. SDA President Sulejman Tihic tells journalists afterwards that the meeting did not result in any concrete agreement apart from the expression of good will for further talks. At the meeting, the High Representative reiterated that the International Community expects the domestic authorities to resolve

the issue. Zlatko Lagumdzija (SDP), Safet Halilovic (Party for BiH), Dragan Kalinic (SDS), Milorad Dodik (SNSD), Kresimir Zubak (NHI), Petar Kunic (PDP) and Mariofil Ljubic (HDZ BiH) also attend the meeting.

- In a letter sent to the Speaker of the RS National Assembly, Dragan Kalinic, the High Representative expresses his concern about the draft Law on RTRS, which the RS Government has forwarded to the RS National Assembly in a version that differs from the one drafted and agreed by a joint working group made up of representatives of the RS Government, RTRS and the OHR. The High Representative therefore asks the RSNA to postpone discussion of the Draft Law, which is scheduled for tomorrow. The draft presented by the RS Government contains several disputable areas that need to be addressed. (Press Releases: OHR on RS Media Law – February 27, 2002)
- At a ceremony in Sarajevo, international and domestic authorities sign a protocol on mutual co-operation in planning and implementing activities related to the return of refugees and displaced persons in 2002. (The signatories include members of the BiH Commission for Refugees and Displaced Persons, BiH Minister for Human Rights and Refugees Kresimir Zubak, Deputy High Representative and Head of RRTF Peter Bas-Backer, Chief of the UNHCR Mission to BiH Werner Blatter, RS Minister for Refugees Mico Micic, Federation Deputy Minister for Refugees Mijat Tuka, and Head of the Brcko District Refugee Department Ivo Andjelovic sign.) “Together, we agreed to determine 16,000 houses as priorities for reconstruction in the Entities, and at the next meetings we will make projects for their implementation,” Zubak tells journalists following the meeting.
- At a press conference in Sarajevo, the Chairman of the BiH Council of Ministers, Zlatko Lagumdzija, says that establishing the rule of law is one of the most important pre-conditions for economic reform and

recovery. After meeting with a US delegation headed by Ambassador William Taylor, co-ordinator of US assistance to Europe and Asia, Lagumdzija remarks that the judicial system, the backbone of the rule of law, cannot be reformed by the Council of Ministers or the Entity Governments. “The parliament, too, has limited capacities in this area,” Lagumdzija says. “The executive authorities must not interfere in the judiciary. The reform of the judicial system is therefore the competence of the International Community and the Office of the High Representative.”

February 27

- At a session in Sarajevo, the Federation Government adopts draft amendments to the Federation Constitution and forwards them to both houses of the Federal Parliament for further procedure. The document is based on solutions identified by the Federation Constitutional Commission and includes further amendments prepared by the Federation Ministry of Justice on the basis of proposals and suggestions from earlier sessions of the Entity Government.
- Participants at a seminar organized in Sarajevo by OHR’s Anti-Fraud Department (AFD) adopt an action plan aimed at strengthening the mechanisms currently used in BiH to combat money laundering. Seminar participants included Peter Nicholl, Governor of the Central Bank of BiH, Mirsad Bajraktarevic, Chief of the Sarajevo Department at the FBiH Finance Police, Jovan Spaic, RS Deputy Public Prosecutor, and representatives of BiH judicial and law enforcement authorities, as well as representatives of international organizations, BiH banks, and the banking agencies of both Entities. (Press Release: OHR Seminar Adopts Action Plan Combat Money Laundering – February 27, 2002)

February 28

- SFOR members block off a village in eastern RS believed to harbour ex-leader of the BiH Serbs and war crimes indictee Radovan Karadzic. A heavy contingent of SFOR soldiers cuts off all routes leading to the village of Celebici. However, in the course of the day, SFOR says it failed to find Karadzic but that the operation showed its determination to track him down. According to the SFOR press release, three weapons caches were found and seized during the operation.
- The High Representative, Wolfgang Petritsch, welcomes SFOR's demonstration of resolve in apprehending indicted war criminals, by force if necessary. The High Representative notes that robust measures to apprehend persons indicted for war crimes (PIFWCs) are necessary elements in peace implementation. (Press Release: HR comments on Karadzic arrest attempt – February 28, 2002)
- The RS Prime Minister Mladen Ivanic slams SFOR over the way they tried to arrest fugitive war crimes suspect Radovan Karadzic, saying that his government should have been told about the operation first. "It is really unacceptable that such activity is going on and that no RS institution knows anything about it," Ivanic tells reporters in Banja Luka.
- The PIC Steering Board meets at the level of political directors with the High Representative in Brussels. "The political directors expressed their unanimous support for the High Representative and his efforts aimed at ensuring urgent implementation of constitutional reforms in BiH," OHR Spokesman Patrik Volf tells SENSE news agency after the first part of the session. "The Steering Board fully agrees with the High Representative's assessment that the political leaders in BiH are responsible for making constitutional changes. They have to reach an agreement on how the BiH Constitutional Court's ruling on the constituency of the

peoples should be implemented," Volf adds. Concerning efforts to streamline the engagement of the international community in BiH, the Steering Board endorsed the refined Task Force Model presented by the High Representative. This will facilitate the development of a still more effective international presence, thus strengthening the role of the High Representative. The new structure includes Rule of Law, Institution Building, Economic, and Reconstruction & Return Task Forces, a Cabinet of lead agencies chaired by the High Representative, and a Situation Group. The PIC Steering Board welcomed and accepted the offer made by the EU General Affairs Council on 18/19 February to provide an EU Police Mission (EUPM), from 1 January 2003, to take over from the UN/IPTF at the end of its mandate. This would ensure the continuing professional development of the police forces in BiH for a period of three years. The Steering Board took note of the EU's intention to appoint the next High Representative as the European Union Special Representative (EUSR) in BiH, with the understanding that the role of the EUSR would not in any way prejudge the mandate of the High Representative. The Steering Board endorsed the reinvigorated strategy for judicial reform in 2002/03 in order to strengthen the Rule of Law efforts as proposed by the High Representative. The Steering Board welcomed the work of the BiH Election Commission in preparing the first general elections under local responsibility, to be held on 5 October this year. It underlined the responsibility of the Bosnian political leaders and institutions to ensure that the Bosnian people are able to exercise their democratic right. The Steering Board noted with regret High Representative Wolfgang Petritsch´s announcement that he would stand down as High Representative at the end of May 2002. The Steering Board warmly congratulated High Representative Petritsch for his extraordinary commitment to the development of

BiH and to the peace process. The Board emphasised that there has been considerable progress during his tenure over the last two and a half years in many key areas. The Steering Board designated Lord Paddy Ashdown as the new High Representative for Bosnia and Herzegovina, according to the nomination put forward by the EU, and asked the United Nations Security Council to endorse his appointment.

- At a session in Sarajevo, the BiH Presidency appoints the BiH Minister for European Integration, Dragan Mikerevic, as the new Chairman of the BiH Council of Ministers. The Presidency expresses its hope that the appointment will be confirmed by the BiH House of Representatives at its next session scheduled for 15 March.

ECONOMIC STATISTICS

BiH Economic Update

BiH Economic Data January 2001 – January 2002

Source: FBiH and RS Statistical Offices

Indicator	Federation of BiH	Republika Srpska	BIH (OHR estimate)
GDP nominal 2000 GDP nominal 1999 Nominal increase 1999-2000 Real increase 1999-2000 (minus inflation)	6,698 billion KM 6,141 billion KM + 9,0% +7,8%	2,463 billion KM 2,180 billion KM + 13,0% -0,6%	9,161 billion KM 8,321 billion KM +10,0% +5,5%
Index of Industrial Production 2001 compared to 2000 12/01 compared to 12/00	 +12,2% +7,4%	 -12,9 % -25,4%	 +3,8% -3,53%

Retail Price Index 2001 compared to 2000 12/01 compared to 12/00	 +1,7% + 0,3%	 +6,5% +2,2%	 N/A N/A
Average Net Salary 12/01 2001 compared to 2000 (averages)	457,68 KM +7,3%	332 KM +12,7%	412,5 KM +9,24%
Number of Employed 12/01 Number of Registered Unemployed 12/01 (RS 09/01)	405.689 persons 269.004 persons	227.740 persons 153.231persons	633.429 422.235
Number of pensioners in 10/01 (RS 09/01) Average pension in 10/01	279.359 persons 170 KM	179.835 persons 105 KM	459.194 persons 145 KM
Imports 2001 Exports 2001 Trade deficit 2001 Import/Export coverage	5,113 billion KM 1,746 billion KM 3,367 billion KM 34,1%	1,697 billion KM 0,599 billion KM 1,098 billion KM 35,3%	6,810 billion KM 2,345 billion KM 4,465 billion KM 34,4%

RETURN STATISTICS

See link to the UNHCR Mission to BiH web page at www.unhcr.ba or see the latest statistics for January on the pdf file .

Please also consult the OHR's chronology for:

2002 2001 2000 1999 1998 1997 1996 and 1995

Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec