

# OHR BiH Media Round-up, 1/10/2003

<b>CROAT RADIO HERCEG-BOSNA</b> (18,00 hrs)	<b>BH TV 1</b> (19,00 hrs)	<b>FED TV</b> (19,30 hrs)	<b>RT RS</b> (19,30)
Protests of the pensioners	Pensioners protest	Pensioners' protests	Loss of RS Telecom 86 mil
HTP Mostar denies revision	Report on RS telecom	First organized crime case	Lowest labour price 82 KM
HR on audits	Deronjic pleaded guilty	Misuses in RS telecom	RSNA to discuss lawsuit

<b>Oslobodjenje</b>	There is no either justice or pensions
<b>Dnevni Avaz</b>	Hadzipasic requests removals
<b>Dnevni List</b>	"Social rebellion in capital"; "Lagumdzija criticized work of Mostar SDP"
<b>Vecernji List</b>	"Police stopped pensioners in front of Government's door"; "Electricity by 50% more expensive"
<b>Slobodna Dalmacija</b>	Features Croatia related headlines
<b>Glas Srpske</b>	Constitutions of Federal Cantons have not still been amended: Serbs do not live here; Bread price increase: Bakers will not give up
<b>Nezavisne Novine</b>	Mass protests of pensioners in the Federation of Bosnia and Herzegovina: Pensioners stoned the building of Federal Government; Reactions on international auditor's report on Telekom Srpske: Premier Mikerevic announces removals at Telekom; Paddy Ashdown: OHR expects from Republika Srpska authorities to act on Telekom case; BiH Prosecutor's Office: First indictment for organised crime in BiH

<b>Blic</b>	<b>Dragan Mikerevic: I have no intention to resign</b>
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<b>Audits</b>	
<b>Ashdown on audits</b>	<p>Croat Radio Herceg Bosna, RTRS, Dnevni Avaz pg. 3 'The goal of the revisions into telecoms was to point at corruption, misconduct', RS dailies, Vecernji List (page 2, "Domestic authority must sanction responsible ones", by <u>Dalibor Ravic</u>), FENA – The authorities and courts in BiH must deal with corruption that was determined by the special auditor in RS Telecom, BH Telecom and HT Mostar, said in Banja Luka on Tuesday the High Representative, Paddy Ashdown. "The objective of auditing was to point out at corruption and negligence", said Ashdown, commenting on reports of the OHR special auditing in all three telecoms in BiH, which has unveiled great losses in business conduct. In a statement for journalists Ashdown emphasised that it is now up to the local authorities to take appropriate action, and OHR will closely monitor and make sure that they do so. He confirmed that the OHR auditing teams will also be sent to other public companies in order to audit into their business operations.</p>
<b>Audit report on Telekom Srpske reveals annual loss of 38 million KM</b>	<p>BHTV, FTV, RTRS, Vecernje Novosti pg. 21 'Hallo, who is stealing there?', Vecernji List (page 4, "Telekom Srpske is losing 38 million KM", by <u>B.S.</u>), ONASA – The report of the international community's special auditor on transactions of Telekom Srpske has revealed that this company loses 38 million KM annually, because of poor management and law violations. The special auditor's team conducted the audit in the period from February 17 to July 25 2003, and Telekom Srpske's transactions in 2002, during the period when Mladen Ivanic was the Republika Srpska premier and Branko Dokic the transport and communications minister, had also been checked. The auditor noted many problems in Telekom Srpske, in terms of tenders and payments, which resulted in payments of millions of KM more than it had been necessary for major procurements. "The tender process provided for by the procurement law in the RS has been disregarded and violated routinely", the report read, adding that audit into 20 out of 35 tenders announced in 2001 and 2002, which are worth 70 percent of the total value of all tenders announced in that period, revealed numerous violations of procedures.</p>
<b>RS Government to take concrete measures with regard to the audit into Telekom Srpske operations</b>	<p>Croat Radio Herceg Bosna, RTRS, Oslobodjenje pg. 7 'Mikerevic threatened with removals', Nezavisne Novine, cover and pg. 3, 'Premier Mikerevic announces removals at Telekom'; Glas Srpske, pg. 3, 'Review than assessment', Blic pg. 7 'Crime in Telekom brought up', ONASA – Republika Srpska (RS) Prime Minister Dragan Mikerevic said on Tuesday that the RS Government has been reconsidering the report of the special auditor on the business operations of Telekom Srpske, adding it will undertake concrete measures, including a possibility for dismissal of responsible persons in that company. The report of the international community's special auditor on transactions of Telekom Srpske has revealed that this company loses 38 million KM annually, because of poor management and law violations. RS Interior Minister Zoran Djeric confirmed that the RS Interior Ministry has pressed nine criminal charges against responsible persons related to illegal business operations of Telekom Srpske. According to Djeric, one charge has been returned by the prosecutor's office. Leader of the Alliance of Independent Social Democrats (SNSD) Milorad Dodik requested at today's session of the RS National Assembly that the report of the special auditor on the business operations of Telekom Srpske be discussed at the next session of the RS Assembly. RS Minister of Traffic and Communications Dragan Solaja did not want to comment the report until it is officially announced.</p>

<b>NN editorial: Ivanic and Telecom</b>	<p>Nezavisne Novine editorial by <u>Mirjana Kusmuk</u>, pg. 7, 'Ivanic and Telekom' –</p> <p>The author is extremely critical and she actually accuses Mladen Ivanic of being involved in almost each affair in Republika Srpska, related to stealing the money from the people and placing it on private bank accounts.</p> <p>The only difference between the way in which Ivanic does it and the primitive way how it used to be done before he came to power is that Ivanic does it in a polite, subtle and diplomatic manner.</p> <p>According to the author, the example of Mladen Ivanic proves that apart from not being a “normal” state, BiH is also one of rare states where laws have headed towards Europe, but the politicians remained in the forest.</p>
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<p><b>BiH Telecom Steering Board rejects irregularities noted in audit report</b></p>	<p>BHTV, FTV, Oslobođenje pg. 7 'Removals in BH Telecom due to legalisation of Eronet', Dnevni Avaz pg. 2 'Report assessed as tendentious', ONASA – BH Telecom Steering Board said at Tuesday's special session that the special audit report on the Telecom's business is pretentious and created in a moment of great interest in the BiH telecommunications market, just before the issuing of the third mobile telephony service operator licence, the Board chairman Edin Batlak said after the session. He added that the report "contains false data, while the correct data is misrepresented. It is partly based on hearsay, not documents". Batlak said that he is satisfied with the business activities of BH Telecom, the most profitable and successful enterprises in BiH, and one of the most successful in the region. "The audit report read that BH Telecom subsidized the FBiH government with 102million KM, and that this should not have been done. However, since the government is the owner of BH Telecom, it decides on the distribution of incomes, and we must implement its decisions," said Batlak. Commenting on the report claims that income rates from telecommunication services reduced from 13.8 per cent in 2001 to less than 0.5 per cent in 2002, Batlak said the auditor forgot to mention that this decrease is the direct result of fluctuations in the currency exchange rates. The report further accused BH Telecom for allocating of 27million KM for subsidies to BH Posts, and donating 300,000 KM to the FBiH Ministry of Social Welfare, Refugees and Displaced Persons, and 150,000 KM for the Memorial Centre in Potocari. "Regarding the monopoly stated in the report, it only exists in the fixed telephony network," said Batlak, adding that 90 per cent of the Telecom's incomes come from domestic telecommunications, which are still "the least expensive in the world". Batlak said that since Deutsche Telecom entered the Croatian market, prices in international telecommunications have reduced, while the domestic ones have tripled. "As for the tenders, evaluated as irregular in the report, I admit that mistakes happened, but only one dispute was taken to court. BH Telecom has around 1,000 tenders per annum, and cooperates with over 2,800 enterprises," said Batlak, adding that the report only mentioned a small number of them, including Unatel, Siemens and Ericsson. Regarding the 500million KM of investments, seen by the auditor as over-spending, member of the Steering Board Dzemil Sabrihafizovic said that, while other companies progressed technologically, BH Telecom had to revive a war-torn enterprise. "It seems that our 'problem' is our success, because we had a million KM of profit one year after the war ended. Today, our incomes amount to around 500m KM and 140m KM of profit," said Sabrihafizovic. Sabrihafizovic said that a quick privatization of BiH telecommunications at this time is a dirt-cheap sale, adding that "three mobile telephony operators are not an economical product, but an ethnic one". "If the third mobile telephony operator licence were issued to Eronet for two to 20m KM, its wartime criminal activities would be legalized," he said, adding that BH Telecom is presently a 2.5bn KM enterprise. Regarding the announced sackings of members of the Board, Batlak said the FBiH government will decide on issue on Thursday.</p> <p>Dnevni List (page 3, "Financial audit, done before the international, did not detect irregularities", by <u>Erna Mackic</u>), Slobodna Dalmacija (back page, "Steering Board of BH Telekom will be relieved of duty", by <u>D. Pasic</u>), Nezavisne Novine, pg. 3, 'Goal of audit is cheap privatisation of telecommunication sector' also covered the issue.</p>
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<b>HPT's reaction</b>	<p>Croat Radio Herceg Bosna, FTV, Dnevni Avaz pg. 2 'Energetically against misconduct' – Stipe Prlic, President of HT Mostar management, commented presented findings of telecom companies' revision. He stated that most of the allegations refer to the period before August 27, 2001, before he was appointed to this position. He emphasised that during his management, many positive things have been done, including payoff of all the debts, as well as commence of the procedure for repossession of some of the HPT Mostar property.</p> <p>Vecernji List (page 5, "What 18 million do they talk about at OHR?", by <u>Zdenko Jurilj</u>) – questioned whether the audit report on the business operation of the HT Mostar is accurate, the current general manager of the company, Stipe Prlic, says that after seeing the report yesterday, he does not see where the loss was incurred, thinking that, perhaps, the audit refers to donations to the HP (Croat posts) and some three million KMs to the University of Mostar and other institutions. Questioned whether it is true that a loan of some 8 million KMs was taken during the time he was deputy to Marinko Gilja (former general manager) and that not a single KM has been returned so far, because of which interest rose to 5 million KMs, Prlic says: "I deny statement by Mister Hays which refers to my predecessor (...) The loan was not taken for personal needs but for the needs of the company". The same questions were posed to Mr. Gilja, who believes the audit report was accurate and says that the final balance sheet for 2000, when he was in charge, showed the company earned 20 million KMs. In this context, Gilja says, on basis of information he has, that the profit for 2003 will not exceed 1 million KMs, blaming the management for the situation. Regarding the said loan, Gilja says the loan was used to buy the necessary equipment, the loan which was, according to him, being returned in orderly manner. Gilja confirms that he bought an apartment and that the part of the money for the apartment he got from the Steering Board as a reward.</p>
<b>Hadzipasic requests removals of BH Telecom, HPT's managers</b>	<p>Dnevni Avaz front page, pg. 5 'Hadzipasic requests removals (of BH Telecom, HPT's managers) – In an interview with the newspaper, FBiH Prime Minister Ahmet Hadzipasic emphasized that the Government would take a series of measures in order to save BH Telecom and HPT Mostar before their privatisation. These measures might include removals of the management teams in the companies.</p>
<b>Only two BiH institutions passed by finance auditing commission</b>	<p>Croat Radio Herceg Bosna, BHTV, FTV, Oslobođenje pg. 6, Vecernji List (page 2, "Only 2 state institutions without mistake", <u>by dja</u>) – The department set up to audit the financial transactions of BiH institutions has awarded a pass grade to only two institutions in its report for 2002. Numerous financial irregularities have been identified by the auditors in the remaining 22 institutions, and only the BiH Ombudsman Office and the foreign debt account held at the BiH Central Bank have received a positive grade, the commission announced at Tuesday's public presentation of the audit report for last year. Irregularities in financial transactions have been identified in the other institutions.</p>

## Economic/social issues

**Mass protests  
of pensioners  
in FBiH**

Croat Radio Herceg Bosna, BHTV, FTV, RTRS, Oslobođenje front page, pgs. 4-5 'There is no either justice or pensions', Dnevni Avaz pg. 10, Nezavisne Novine, cover and pg. 2, 'Pensioners stoned the building of Federal Government' – Mass protest of pensioners took place in several cities in Federation of BiH on Tuesday. Over 10 thousands pensioners demanded payment of 3 backlog pensions and regular harmonisation of increase of salaries and pensions. Pensioners condemned shameful decision of Parliament members to increase their salaries. Pensioners welcomed 6% increase of pensions, but they expect further measures to be taken in improving their poor social position. The protesters blocked roads in the Sarajevo downtown, The blockage lasted till 7 pm. Dnevni List (front "Social rebellion in capitol city" and page 3 "Pensioners throw rocks on building of Federation Government", by Erna Mackic) – reports that masses of pensioners yesterday protested in front of the building of the Government of Federation of Bosnia and Herzegovina and in front of International Monetary Fund and World Bank, complaining about the pensioners' status. The President of Executive Board of Association of pensioners, Jozo Ljiljanic, talking about the pensioners' requests, said one of requests was the payment of three outstanding pensions from the year 2000 and that pensions be harmonized to salaries. "We request the House of Representatives of the Federation of BiH to force the FBiH Government to execute its conclusion from December 2002 on payment of three outstanding pensions and remove it if it does not do it", said Ljiljanic. DL notes that the FBiH Prime Minister was not in Sarajevo to address the pensioners, but in Zenica at opening of the Zenica Fair. In a statement for DL, PM Hadzipasic stated that he had left Minister of Social Affairs, Radovan Vignjevic, to negotiate with the pensioners. "Something that is the future of this state happens here, and the future can solve problems from past times", said PM Hadzipasic. Vecernji List (front and page 3, "Police stopped pensioners in front of Government's building", by E. Medunjanin, Z. Banovic, S. Stipovic) – stresses that the pensioners, requesting that the FBiH PM Hadzipasic addresses them, tried to enter the FBiH Government building but the Police prevented them. VL also notes that the Croat pensioners did not join their Bosniak colleagues at a protest rally held in front of cantonal government in Travnik yesterday. VL notes that a protest rally, which saw participation of few hundred pensioners, was held in Mostar too. (Slobodna Dalmacija, page 17, "Pensioners charging the Government", by Zdenko Rerig)

<p><b>Agreement reached on the establishment of a single public company and waste dump in Mostar</b></p>	<p>FTV, Oslobođenje pg. 7, Dnevni Avaz pg. 9 'World Bank's conditions fulfilled' – City authorities in Mostar reached an agreement to establish a single public company and waste dump site. It was precondition for realisation of 7 million dollars from the World Bank credit. HR set deadline on Monday and authorities managed to find solutions only 6 hours before expiration. City mayor Hamdija Jahic: "It is important step which will help to keep our city clean and not polluted...changes will happen in the new company, but all people will keep their jobs."</p> <p>Dnevni List (page 13, "Ultimatum resolved issue of city waste dump", by D. Kozina) also carries that during the yesterday's session of the Mostar City Council the decisions on the establishment of the joint city waste dump 'Uborak d.o.o.' and the city public utility company 'Komunalno d.o.o.' Mostar were adopted. Vice-president of the MCC Milan Jovicic stated: "Today's decisions are the result of the compromise in order to meet the condition of the World Bank." DL says that Head of the OHR South ambassador Jacques Andrieu addresses the councilors at the beginning of the session and he conveyed the message of the High Representative saying if the waste dump issue is not resolved during the yesterday's session and if the World Bank loan is lost the taxpayers will have to suffer consequences of this situation at the end. Slobodna Dalmacija (page 7, " 'Komunalno' and city waste dump 'Uborak' formed", by M. Landeka) also covered this session.</p>
<p><b>CoM adopted Indirect Taxation Law</b></p>	<p>BHTV, FTV, RTRS, Oslobođenje pg. 9, Dnevni Avaz pg. 2, Nezavisne Novine, pg. 5, 'Draft law on indirect taxation adopted', Dnevni List (page 4, "Proposal of law on indirect taxation determined"), FENA – on Tuesday, the BiH Council of Ministers adopted the draft Law on the Indirect Taxation System in BiH, which was proposed by the BiH Ministry of Finance and Treasury. This draft will be forwarded to parliament under a shortened procedure. This Law establishes institutional and organisational basis for a single indirect taxation system in BiH, which will support the overall macro-economic stability and fiscal sustainability of BiH, Federation BiH, RS and Brcko District. It will also support the functioning of a single economic space in BiH. Chairman of the Council of Ministers Adnan Terzic at a press conference following the session that the Draft had been passed unanimously. It was agreed to form four regional offices: in Sarajevo, Banja Luka, Mostar and Tuzla. The Law will enable intensified activities on introduction of VAT. The Indirect Taxation Administration, whose residence will be in Banja Luka, will be the only body in BiH that is authorised for implementation of legal regulations on indirect taxation and policy.</p>

<p><b>Ashdown welcomes adoption of Indirect Taxation Law by CoM</b></p>	<p>FENA – The High Representative welcomes the decision of the CoM to adopt the Law on the Indirect Taxation System of Bosnia and Herzegovina. This law lays out the steps, which must be taken in order to merge the Entity and Brcko Customs services and create an efficient and cost-effective BiH customs service, and to establish a countrywide VAT system over the next two years. It is one of the crucial reforms necessary for European integration. The High Representative commends the Council of Ministers for adopting this law and urges the BiH Parliamentary Assembly to consider and enact the law as quickly as possible. The sooner the law is enacted, the sooner the people of BiH can begin to reap the benefits that it will bring, according to an OHR statement.</p>
<p><b>Interview with Renzo Daviddi</b></p>	<p>Nezavisne Novine, cover and pg. 5, ‘Everybody in BiH is evading taxes’ – In a short interview to NN, Renzo Daviddi, Deputy Head of European Commission Mission in BiH, assessed that the entire system of BiH is based on tax evasion. According to him, it is the main characteristic of the entire system that firms, cleaners and other people evade taxes. Commenting on refusal of Tax Administration of the Federation of Bosnia and Herzegovina to reveal the names of debtors amongst oil merchants (who owe over BAM 80 million), Daviddi said that Company has a right to confidentiality of tax related information.</p>



<b>Reconstruction of power sector in BiH</b>	<p>Vecernji List (page 4, "Supreme Court will judge about closing down of EP HZHB", by <u>O. Cvitkovic</u>) – says that Croat expert in the power utility sector believe if the FBiH Action plan for reconstruction of power sector in Bosnia and Herzegovina goes ahead as planned, the whole system in BiH will suffer a complete collapse. VL says the reorganization would practically create two power companies in BiH, the Elektroprivreda of RS and Elektroprivreda of BiH, whilst the Elektroprivreda of Herceg Bosna would simply merge with the stronger EP BiH, thus practically cease to exist. The daily also denies statement by the competent FBiH Minister, Izet Zigic, that the price of electricity would decrease, because the study, according to VL, foresees the increase of price from 13 to 30 fenings per KW. Apart from that, VL says there will be massive redundancies. In that context, the daily says some 400-500 employees of the EP Herceg Bosna would lose jobs, whilst in the whole BiH, some 15.000 workers in the power sector would lose jobs. VL learns that the Croat MPs in the FBiH house of Representatives and House of Peoples would raise the issue of legality of the Action plan, believing it is the issue of national interest. Reportedly, an appeal was submitted to the FBiH Supreme Court.</p> <p>Dnevni List (front and page 15, "'Flogging' of Elektroprivreda HZ HB?", by <u>V. Soldo</u>) – reports that the Elektroprivreda of Herceg Bosna finds the Action plan unacceptable because the plan only deals with restructuring of the power sector whilst the privatization will be discussed some other time later on. According to the CEO of the EP HZ HB, Vlado Maric, neither the Government or IC know the model according to which the privatization of the power sector would be carried out.</p>
<b>Bread price to increase</b>	<p>Glas Srpske, cover page story, 'Bakers will not give up' – The Republika Srpska Ministry of Trade and Tourism finds request of Republika Srpska bakers for bread price increase justified. According to Radmila Trifkovic, Spokesperson of this Ministry, existing decrees covering this issue should be amended prior to bread price increase.</p>
<b>Ashdown visited two companies in BL</b>	<p>Nezavisne Novine, cover and pg. 4, 'OHR expects from Republika Srpska authorities to act on Telekom case'; Glas Srpske, pg. 3, 'Employment for former soldiers' and Glas Srpske, pg. 3, 'An open path towards Europe'– During his yesterday's visit to Banjaluka, the High Representative to BiH, Paddy Ashdown, visited the firm "Geocentar", which was formed by eight demobilised soldiers of Republika Srpska Army, with the assistance of IOM. Later on, Ashdown visited the shoe factory "Dado", which was also founded by demobilised soldiers. Dnevni Avaz pg. 4 'Economic recovery is a priority for BiH' also reported on the visit.</p>

<b>Kostic to assume duty</b>	Glas Srpske, pg. 2, 'Kostic to assume duty'; Nezavisne Novine, pg. 8, 'Dragan Kostic to take over Clinical Centre' – Dragan Kostic, the newly appointed Acting Director of the Banjaluka Clinical Centre, is expected to take over his duty from Risto Kozomara by Thursday at latest.
<b>Budget resources to be placed as time deposits with five banks in Republika Srpska</b>	Nezavisne Novine, pg. 5, 'Public revenues of Republika Srpska will be placed as time deposits at five banks' – Branko Krsmanovic, Republika Srpska Minister of Finance, yesterday confirmed that Republika Srpska Ministry of Finance has selected five banks, with which the Ministry will be placing resources collected from public revenues and Republika Srpska Vault as time deposits. Those banks are: Nova Banka, Razvojna Banka (Development Bank of SE Europe), VB Banka, Nova Banjalucka Banka and Zepter Banka."
<b>DL: "Bulldozer Commission adopted 16 reform proposals"</b>	<p>Dnevni List (page 5, <u>by Fena</u>) carries a statement by an OHR spokesperson, Oleg Milisic, who stated at a press conference in Sarajevo yesterday that "the Bulldozer Commission approved 16 reform proposals – recommending practical ways of eliminating pointless bureaucracy or inefficient regulations that make it hard to run companies in BiH and create jobs.</p> <p>According to Milisic, "among the recommendations agreed yesterday are a proposal to give RS companies tax incentives to employ disabled people. In the Federation, tax relief is given to companies whose workforce consists of more than 50 percent disabled people. No similar tax relief exists in the RS. The Bulldozer is proposing passage of an amendment to the RS Law on Profit Tax that would enable tax relief for companies that train and employ disabled people".</p>

<p><b>DL: “Tihic announces start of construction of corridor Vc”</b></p>	<p>Dnevni List (front and page 5, by <u>zeda</u>) – the Bosniak member of BiH Presidency, Sulejman Tihic, yesterday opened the 10<sup>th</sup> annual Zenica Fair “ZEPS 2003”. According to DL, on the occasion, Tihic expressed belief that years to come in BiH would be years of progress, starting from construction of infrastructure, such as the corridor Vc, as well as overall economic development. Tihic stressed that the BiH authorities were doing everything to create favourable economic and business environment by creating a single economic space in BiH, something which should encourage foreign investments and economic co-operation in general.</p> <p>Slobodna Dalmacija (page 16, “Concessionaire for the highway will be picked in Banja Luka”, by <u>Zlatko Tulic</u>) – reports that “according to information coming from the BiH Government”, the Council of Ministers should in the next ten days take a final decision on opening of vacancies for selection of a seven-member commission for concessions in BiH. According to SD, the commission will comprise of two members from the Republika Srpska, Federation of Bosnia and Herzegovina and Brcko District each, whilst the seventh member will be nominated by the OHR. The paper also stresses that the seat of commission for concessions will be in Banja Luka.</p>
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## Political developments

**BiH House of Peoples gets new chairman**

Croat Radio Herceg Bosna, RTRS, Oslobođenje pg. 3, ONASA – Former chairman of the BiH House of Peoples Velimir Jukic handed over on Tuesday the duty to his deputy Mustafa Pamuk. In the past eight months, the House of Peoples adopted 32 laws, verified 19 agreements and several conventions, protocols and contracts. “I believe we have worked well and I hope that the House of Peoples will in the future adopt important reform and other laws,” Jukic said. According to Jukic, the BiH parliament is oriented towards the implementation of reforms and it will successfully solve tasks related to realization of the strategic goals of BiH on the way towards European and Euro-Atlantic integration. Pamuk said that the House of Peoples will continue working equally efficiently and in qualitative way. “BiH has big tasks in the fulfilment of conditions for the admission into the Partnership for Peace (PfP), European Union (EU) and NATO. The BiH parliament must carry out many laws and arrange its legislation in the way to be an equal partner in European integration,” Pamuk said.

Dnevni List (page 4, “Law that was proclaimed by High Representative adopted”) – the BiH House of Peoples, at a session held yesterday, adopted in an emergency procedure a set of laws, namely, law on changes and amendments to law on civil service in BiH institutions; law on immunity; law on registration of legal entities that are founded by BiH institutions; and law on ministerial appointments. These laws were previously enacted by the High Representative for BiH.

The chamber also adopted the law on changes and amendments to law on export and import of arms and military equipment.

Vecernji List (page 2, “Representatives are criticizing Ministers”, by E. Me) carries that the MPs in the House of Peoples of the BiH Parliament yesterday harshly criticized members of the BiH Presidency and the BiH Council of Ministers because they keep ignoring sessions of the State Parliament. Apparently, nobody from the Presidency and BiH CoM attended the yesterday’s and previous sessions of the Parliament.

<p><b>Lagumdzija addressed public forums held in Mostar and Capljina</b></p>	<p>Dnevni List (front and page 9, "Lagumdzija criticized work of Mostar SDP", <u>by I. Glibusic</u>) carries that the SDP public forum called "BiH a year later" took place in Mostar on Monday. According to the article, member of the SDP Mostar Board Sead Djulic did not speak at the public forum, and the article concludes that this is probably due to the latest statements saying that the SDP headquarters is not satisfied with certain moves of SDP Mostar. DL also says that on this occasion SDP president Zlatko Lagumdzija harshly criticized the work of SDP Mostar saying: "You are here in Mostar and you do not have even 10% of councilors in the Mostar City Council, however, you took upon yourselves all problems that the Mostar City Administration should resolve, and which does not do it." DL says that member of the SDP Mostar Board Husein Kapic stressed that the biggest problem of the current authority in the Herzegovina-Neretva Canton is Head of the Mostar Tax Office Silva Memic, as well as the issue, of Mostar organization that, according to Kapic, national parties do not know how to resolve. Vecernji List (page 4, "It is impossible to carry out coup", <u>by fm</u>) carries that Lagumdzija also spoke at the public forum in Capljina and stated: "If someone was seriously intending to carry out a coup then he should arrest the High Representative and the whole OHR and deport them through the Sarajevo airport and SFOR should be disarmed." He added: "They are the real authority in BiH, and if the Presidency was arrested, they themselves would not be aware that they were arrested. "</p>
<p><b>Cantonal Constitutions still not amended</b></p>	<p>Glas Srpske, cover page story, 'Serbs do not live here' – Zvonko Kutlesa, Secretary at the Herceg Bosna Parliament, confirmed to GS yesterday that not a single one of ten Cantons in the Federation of Bosnia and Herzegovina has not still harmonised its Cantonal with Federal Constitution and Constitution of BiH. the direct consequence of this is that Serbs do not represent a constitutive people in federal Cantons, saying that they are not equal with Croats and Bosniaks.</p>

<b>Clarke leaving mission</b>	Nezavisne Novine, pg. 2, 'Henry Clark's mandate completes'; Glas Srpske, pg. 2, 'Johnson to replace Clark' – After two and a half years, the mandate of Henry Clark, International Supervisor for Brcko, expired yesterday. The American diplomat, Susan Johnson, is to replace Clark on this position.
<b>Ivo Miro Jovic on Doris Pack's statement on education in BiH</b>	Dnevni List (page 6, "Doris Pack wants to introduce European standards in BiH", by <u>I. Glibusic</u> ) – carries an MP in the BiH Parliament, Ivo Miro Jovic, as commenting on member of European Parliament, Doris Pack's, statement from the other day that one people (the Croats) are not allowed to use mother tongue in classes, when she also stated that the Croats from central Bosnia would emigrate if textbooks and classes in mother tongue are not allowed. Jovic says: "Doris Pack is friend of BiH and in that context, one has to observe her wish that three constituent peoples live as equal in BiH (...) Simply, Doris Pack wants to introduce European standards in BiH".

<b>Defence</b>	
<b>Ashdown considers the decision on defence reform historic</b>	Croat Radio Herceg Bosna, RTRS, Oslobodjenje pg. 4, RS dailies, Dnevni Avaz pg. 4 – within the report on HR's visit to BL, FENA – The decision on reform in the BiH defence system is historic and a great step ahead. The path towards NATO is now open under condition that the agreed solutions are passed by parliaments in BiH, stressed in Banja Luka on Tuesday the High Representative, Paddy Ashdown. He said that the defence reform would also result in saving one percent of GDP, and these funds can be invested in BiH economy. Blic pg. 7 'RS Government must be more efficient' also carried the statement.