OHR BiH Media Round-up, 14/1/2005

Latest radio news broadcast at 12.00 on14 January 2005

RADIO HERCEG-BOSNA (12,00 hrs)	**BH Radio 1** (12,00 hrs)	**RTRS**(12,00 hrs)
Martens to submit report today	HR interview to Vecernji list	Orthodox New Year celebration
ICTY news	US suspends aid to SCG	PRC report to be presented today
HR Ashdown on PM Sanader's Govt	Middle East update	Paravac meets Leakey

TV news broadcast on 13 January 2005

RADIO HERCEG-BOSNA (18,00 hrs)	**BH TV 1** (19,00 hrs)	**FED TV** (19,30 hrs)	**RT RS** (19,30)
CRO elections in BIH	Help to tsunami victims	Protest in Kamensko	Nepotism in the top of RS
Paravac met with Leakey	BiH didn't send help yet	Protest in Orasje	SDA meeting
FBIH Gov. in session	SDA meeting	ITA's Causevic on protests	Vlasenica account blocked
OHR welcomes VAT adop.	Trebinje municipality issue	Protest in Agrokomerc	Trebinje municipality issue

Oslobodjenje	SDA warns of possible Serb self-rule in RS
Dnevni Avaz	Attack on reforms and BiH Constitutional system
Dnevni List	Details from talk between Mesic and Racan
Vecernji List	There are politically rigged processes in BiH

Slobodna Dalmacija	Will Red Cross or Red Crescent be shut down
Glas Srpske	Not published today due to Orthodox New Year
Nezavisne Novine	Cavic and Bukejlovic are close relatives; Ruling parties have agreed on crisis; Ivica Rajic bombed Markale; Dobroslav Cuk on “Alijagic” case: blockade of the account paralyzed Trebinje; Approximately 150,000 KM were collected in BiH for victims of Tsunami
Blic	Resignations at CoM have disturbed relations between PDP and SDS
Vecernje Novosti	Croats have confessed Markale!
Belgrade’s Nacional	Features Serbian related titles
Ljiljan	Pogorelica case: Indictment raised
Slobodna Bosna	Mladic in BiH
Dani	Increase of cigarettes prices

LATEST NEWS OF TODAY	
US Govt suspends aid to SCG	**BH Radio 1, RHB** – The Government of the United States has decided to suspend 10 million US dollars worth assistance to Serbia and Montenegro due to lack of cooperation with the ICTY. The State Department says that the cooperation will be at the satisfactory level after all ICTY indictees in SCG territory are arrested and extradited to the Hague, especially **Ratko Mladic.**

Political developments/reforms/cooperation with ICTY

SDA warns of radicalisation of situation in RS	**RHB, BHT, FTV, RTRS, Oslobodjenje** cover page, pgs 4-5 'SDA warns of possible Serb self-rule in RS' by Azhar Kalamujic, **Nezavisne Novine,** pg. 2 'SDA will not enter new RS Government' by A. Sisic, **EuroBlic,** pg. RS2 'SDA will not support new RS Government' by D. S., **FENA** – Bosniak member of the BiH Presidency **Sulejman Tihic** and BiH Council of Ministers Chairman **Adnan Terzic**, who are also the chairman and deputy chairman of the Party of Democratic Action respectively, on Thursday received representatives of this party in the RS National Assembly and the Council of Ministers. The meeting discussed the current political situation, following the failure of BiH to gain admission to the Partnership for Peace over non-cooperation with the Hague Tribunal, Tihic's office has said in a press release issued following the meeting. It was concluded that the situation in the RS was becoming increasingly radicalized, which particularly affected the return of refugees. The political representatives of the RS are doing everything to transfer the crisis to state level and in that way freeze or slow down reforms, particularly defence and security system reforms, and in that way they are also bringing credibility of the international community into question, according to the release. The participants at the meeting believe that the *"statements by senior Serb officials, such as calls for referendum and independence of the RS, and requests for demilitarization represent an attack on the BiH constitutional system, in similar way as it was done with the so-called Croat self-government".* It was concluded that the SDA representatives in the RSNA would not support any RS Government whose programme was based on postponing reforms of the defence and security systems, preventing BiH from joining the Partnership for Peace and distancing itself from the EU. Concern was expressed over the fact that *"the Serb authorities and opposition are united in their failure to cooperate with the Hague tribunal and are hiding war crimes and war crimes suspects, which is most evident from the Srebrenica case".* The meeting was also attended by RS Vice-President **Adil Osmanovic** and RS Government ministries **Omer Brankovic** and **Saud Filipovic**. **Dnevni List** pg 7 'New strike on BiH Constitution' by De.L., **Slobodna Dalmacija** pg 21 'Bukejlovic does not have support' by B. Kristo also reported on the meeting.

Tihic: Conduct of Serb parties is an attack on constitutional system	**Dnevni Avaz** cover splash 'Attack on reforms and BiH Constitutional system', pg 3 'Conduct of Serb parties is an attack on BiH Constitutional system' by E. Sarac – "*All this happening in the past month in RS is a attack on constitutional system of BiH, similar to the case of Croat Self-Rule. The International Community should now demonstrate determination it demonstrated than, and in that way enable continuation of the ceased reforms in defence and security system*," stated SDA leader, **Sulejman Tihic**.
SDA's Hafizovic: We shall not support new RS Government or Bukejlovic	**BHT, Oslobodjenje** pg 4 'RS Government with us or without us', **FENA** – We shall not support the new RS government or Prime Minister designate **Pero Bukejlovic**, because they have signed the Agreement on coordinated political action without the participation of two other constituent peoples (political parties representing them), the Deputy Speaker of the RS National Assembly, **Sefket Hafizovic**, stated on Thursday. Hafizovic and the other representatives of the Party of Democratic Action (SDA) in the legislative and executive bodies of the RS were received on Thursday by BiH Presidency member and SDA President **Sulejman Tihic** to discuss the latest political situation in BiH and RS. When asked whether the decomposition of the state-level coalition is possible, Hafizovic responded that this matter was not discussed. He added that the next steps were unknown. *"We expect the (RS) government to be constituted with or without us. At this moment, this will probably happen without us, and afterwards we will see how the situation develops at the level of the BiH Council of Ministers",* he said.

RS Vice-president Osmanovic: SDA always ready to cooperate with all the political parties supporting reforms	**BHT, Dnevni Avaz** pg 3 'Osmanovic: Cavic totally negates Bosniaks', **FENA** – RS Vice-president **Adil Osmanovic** said that SDA is always ready to be together with those political parties that support reformatory processes. *"In the current constellation of political relations SDA will hardly support PM designate **Pero Bukejlovic**, because he is a member of the Serb Democratic Party (SDS) and because the Serb Radical Party (SRS) will be a part of this parliamentary majority. SDA obviously has nothing to do in such a government",* said Osmanovic. The representatives of SDA will however hold talks with Bukejlovic to see whether it is possible that other political parties, who are prepared to implement reforms, support this government, and if not, than the Party does not wish to participate in a government that will obstruct the measures of the international community dating from December 16, 2004. *"If the situation is such, than we will continue our activities in the opposition,"* said Osmanovic. Commenting on RS President **Dragan Cavic**'s statement that there was no room for SDA, SDP and Party for BiH in the new RS Government, Osmanovic emphasized that such the statements were totally negating Bosniaks as a constituent people.
NN claims Cavic and Bukejlovic are relatives	**Nezavisne Novine,** cover 'Cavic and Bukejlovic are close relatives' and pg. 3 'Dragan Cavic appointed his cousin as designate' by D. Risojevic – According to Cavic's and Bukejlovic's cousins and according to data from birth registry books, **Dragan Cavic** and **Pero Bukejlovic** are close relatives. The article features a statement of one of their relatives explaining their family three to details. The article also claims **Borislav Paravac** is their relative as well. A statement of **Cavic's** relative reads Cavic seldom comes to Gornja Kostajnica near Doboj (his family's birth village). The relative said he wanted to write a letter to Cavic and explained that Cavic had, at the pre-election rally in Doboj, stated he would resign is RS lost customs and army. **RTRS** also covered the issue.

Reactions on family relations of Cavic and Bukejlovic	**Nezavisne Novine,** pg. 3 'One should lay accounts for nepotism' by V. P. – SNSD President **Milorad Dodik** thinks that, after the latest information on family relations between Cavic and Bukejlovic, it would be the best if the Government of **Dragan Mikerevic** continued with its work in the technical mandate. **Tihomir Gligoric**, the Deputy President of SPRS, thinks that using of family relations are detrimental for a society and this must be prevented. **Slobodan Popovic** (SDP) also has a critical view of this and says this is a classic example of nepotism. DNS thinks it is detrimental that the RS President was guided by family relations when he had appointed RS Government designate but they think it is even greater problem that Bukejlovic is unable to respond to his tasks.
EuroBlic on crisis at CoM	**EuroBlic,** cover 'Resignations at CoM have disturbed relations between PDP and SDS' and pg. RS1 'They were divided by resignations' by Nedeljka Breberina and Rajna Radosavljevic – Some unofficial information claim partnership relations between SDS and PDP were brought in questions after PDP Ministers at CoM have resigned, while SDS Ministers remained at their positions. The outgoing BiH Minister of Traffic and Communications and PDP President, **Branko Dokic**, claims resignations were *'personal reply to measures of the High Representative'* and were not agreed upon in advance, nor they were synchronized between parties. He claims this could not lead to a crisis situation in relations between PDP and SDS. Minister **Slobodan Kovac**, who refused to resign, claims no person from SDS has ever contacted him to demand a discussion on this matter. The Head of SDS Caucus at BiH Parliament, **Momcilo Novakovic**, says there are no differences in stances between SDS and PDP. *'We will soon meet PDP officials to discuss ways of resolving the crisis at CoM and, should PDP be willing to participate at the work of this institution again, we are willing to negotiate an agreement'*, Novakovic has said. He claims a crisis at CoM does exist, which could have a negative impact on the work of the Parliamentary Assembly of BiH. **EuroBlic** inset 'SDS expects from PDP to support Bukejlovic' – quotes **Momcilo Novakovic** as saying PDP has promised to support the new designate. PDP did not want to comment on whether it would support Bukejlovic or not. Certain members of PDP, however, say Bukejlovic is not the best possible solution for RS.

NN on crisis at CoM	**Nezavisne novine,** cover and pg. 4 'Ruling parties have agreed on crisis' by M. Cubro – The Chairman of HDZ Caucus at HoR of BiH Parliament, **Vinko Zoric**, on Thursday announced the party would today (Friday) decide on whether it would request for a discussion on vote of confidence to the state government. Deputy SDA President **Seada Palavric** claims the truth is that the CoM has held no sessions in the past two weeks and she said: '*I think we cannot talk about an absolute crisis because the Ministries are working and only the Council is not holding sessions'*. She thinks the crisis would be resolved after new RS Government is formed. **Momcilo Novakovic** (SDS) has stated SDS supports the current composition of CoM. The Party for BiH thinks is it unacceptable that some parties are putting state interests in jeopardy by conducting their own politics. **Nikola Spiric**, the Deputy Chairman of HoR and SNSD member, thinks the crisis at CoM was caused by an agreement of the ruling coalition. '*This is about an agreement of national parties. They have deliberately provoked the crisis and I do not understand why they are hiding it now'*, Spiric says. **Zlatko Lagumdzija** (SDP) also claims the crisis is a result of an agreement of the ruling parties.
NN op-ed on crisis in RS, BiH	**Nezavisne Novine** op-ed pg 7 'Production of crisis' by Slavo Kukic – The author does not agree with the most recent statement of the BiH leading official that there is no crisis in BiH. On the contrary, Kukic claims that crisis does exist not only in RS, but also at the BiH level, accusing the nationalistic parties (SDA, HDZ and SDS) of this. He further brings some background information proving this. On OHR, he says many people were surprised over the HR's stance regarding RS-PM-designation process, since **Paddy Ashdown** pointed out to **Milorad Dodik** it would not be appropriate – owing to pending denunciation against **Dodik** – to be nominated. The reason for this, according to Kukic, is because **Dodik** does not belong to the circle of **Ashdown's** nationalistic reformists. The author concludes there are many denunciations pending against **Dragan Covic,** but it has not made **Ashdown** to make any sort of interference. The author is also critical of HR's actions (including the visit to Belgrade). The author concludes the aim of the crisis is to suspend further implementation of reforms, which would lead BiH to Europe .

Bukejlovic to hold consultations with political parties	**Nezavisne Novine,** pg. 2 'SDS to be the first in line in consultations with Pero Bukejlovic' by V. Popovic – A source from SDS has confirmed SDS representatives would meet **Pero Bukejlovic** on Monday, in order to hold consultations on the composition of Bukejlovic's cabinet. The source claims SDS expects to get 4 Ministerial posts, other Serb political parties should get another 4 posts, while the remaining 8 should be given to Bosniak and Croat parties. SRS also expects to meet Bukejlovic in the course of the next week, although they have not received an official invitation as yet.
SDS to elect new president in February	**Nezavisne novine,** pg. 2 'SDS to elect party president in February' by V. P. – Member of SDS Presidency **Bosko Siljegovic** announced SDS would hold a session in February, at which they will elect a new president of the party.
Martens present PRC report to Terzic, Ashdown on Fri; Daily says HR presents maps to political parties on Mon	**Oslobodjenje** pgs 4-5 'Ashdown on Monday presents the maps of BiH police regions', mentioned on cover, by Az. Kalamujic – Daily learns that on Monday, the High Representative, **Paddy Ashdown**, will meet with the chiefs of leading political parties and the Police Reform Commission [PRC] members to present them with the proposal of the maps of future BiH police regions. According to the source in one of leading parties, OHR on Thursday informed BiH political leaders that HR would like to hold separate meetings with them in order to discuss the maps. OHR Press Office says HR still evaluates proposed solutions. **Oslobodjenje** pg 5 'Martens presents report to Terzic and Ashdown', **Dnevni Avaz** pg 8 'Martens today presents report to Terzic and Ashdown' by Fena – OHR Spokeswoman in Banja Luka, **Ljiljana Radetic**, announced that the chair of PRC, **Wilfred Martens**, on Friday will formally present the final report to the BiH Council of Ministers Chair, **Adnan Terzic**, and the HR Ashdown. **RHB,Dnevni List** pg 4 'Presentation of report on police today' by NINA also carried OHR statement.

VL interview: HR Ashdown on Police reform	**Vecernji List**, front pg splash 'There are politically rigged processes in BiH' and pg 5 'I think there are politically motivated processes', by Zoran Kresic – Asked whether the entity Police forces will survive the Police reform, the HR says: *"It is not possible to abide by the European standards if the Police is not at the State level and if the Police regions are not established so they are operating most effectively in catching the criminals. Entities in BiH have become a political framework to control the Police. Such situation cannot continues any more"*.
Chairman of BiH Presidency Paravac, EUFOR Commander Leakey discuss Hague Cooperation, security, organized crime	**RHB, Oslobodjenje** pg 4 'Assistance in further reforms', **Dnevni Avaz** pg 8 'Permanent cooperation between EUFOR and BiH institutions necessary', **FENA** – The chairman of the BiH Presidency, **Borislav Paravac**, held talks with EUFOR Commander Gen **David Leakey** in Sarajevo on Thursday. The BiH Presidency Public Relation's Office says that the talks focused on the EU mission's fundamental tasks – security in BiH, EUFOR's inclusion into the fight against organized crime, complete cooperation with the Hague Tribunal and EUFOR's assistance in further defence and security system reforms in BiH. It was concluded that in order to fulfil the tasks it was necessary to have continuous cooperation and complete coordination of all activities between EUFOR and BiH institutions.

EUFOR Commander Leaky meets with RS leaders	**Oslobodjenje** pg 8 'RS MoI to search after Karadzic and Mladic', **Dnevni Avaz** pg 8 'Search after Hague fugitives includes Karadzic and Mladic', **FENA** – The RS Minister of Interior in resignation, **Darko Matijasevic**, stressed that the search for the indicted war crime suspects includes the search for **Radovan Karadzic** and **Ratko Mladic**. Matijasevic made this statement on Monday during talks with the EUFOR Commander, General **David Leakey**, adding that he looked forward to good cooperation with EUFOR in the operations of combating organized crime, the spokesperson of Multinational Operational Group North-West, **Matt Reynolds**, told a press conference in Banja Luka on Thursday. He reiterated that General Leakey has also met with RS President **Dragan Cavic**, resigning Defence Minister **Milovan Stankovic** and the RS Army General Staff Officer, **Novak Djukic**. Reynolds said that Cavic had underlined the dedication of RS to help BiH join Europe . Defence Minister Stankovic welcomed the deployment of the EUFOR military unit at the military facility Veliki Zep in the vicinity of Han-Pijesak, and noted that presence of such a unit would prevent any future utilization of this facility by the indicted war crime suspects.

Dnevni Avaz interview with US Ambassador on cooperation with ICTY, RS crisis, defence and police reforms	**Dnevni Avaz** pg 5 'Entities ministries of defence will have to dissolve', mentioned on cover, by Sead Numanovic – In a page long interview in DA, the US Ambassador to BiH, **Douglas McElhaney**, underlines that the necessity to arrest all war crimes suspects at large is the strategic interest of both US and EU, adding that the international community will continue to insist this issue to be solved. *"Cooperation with the ICTY for us is one of the crucial DPA provisions,"* reiterates McElhaney adding that RS fails to ensure such cooperation: *"We are very much concerned with that fact and it will bring a number of things in question. You are asking me whether this could lead to abolishment of RS. I don't now, I said I am not an expert in international law. But, I repeat this is a source of big concern*." Asked to comment to the political blockade in state institutions, US Ambassador says he believes that, while everyone has a right to comment as they want [to the sanctions imposed on 16 December] it is time now for politicians to go back to their work and continue to solve issues. McElhaney says there is a number of issues needing attention, such as the defence reform. *"It is clear that entities' ministries of defence will have to dissolve… I don't know what will happen to entities' armies. I know that ambassador [**Rafi**] **Gregorian** will succeed to bring all involved to good agreement*," said US Ambassador. On police reform, Ambassador reminds that the task of the Police Reform Commission is to create police which will protect citizens and fight crime: *"In order to achieve that, there will have to be some kind of centralized police command… Whatever agreed, it has to be taken into account that it is in interests of police. I hope the current political situation will not impact the work of the commission. If that happens, those guilty will have to take responsibility for that."*

VL interview: HR Ashdown on BiH' road to Europe, charges against BiH politicians, future of BiH	**Vecernji List**, front pg splash 'There are politically rigged processes in BiH' and pg 5 'I think there are politically motivated processes', by Zoran Kresic – Carries an interview with the High Representative for BiH, who notes that year 2005 could be among most significant years in the history of the country, since BiH is expecting invitations to join the PfP and start talks on the SAA in spring 2005. Questioned as to why BiH is hostage to the RS, HR Ashdown says: *"It is true that a big responsibility lies with Banja Luka, but the State too can make great things. Whether the SBS* (State Border Service) *checks the borders correctly – I doubt it. Whether the OSA* (Intelligence-Security Service) *cooperates by collecting intelligence – I do not think it is to the extent it is suppose to"*. Asked to comment on the issue of charges that are being pressed against some senior politicians, such as **Milorad Dodik** and **Dragan Covic**, and to confirm that there are no politically motivated/rigged processes in BiH, HR Ashdown says: *"I am not that naïve to think that there are no politically motivated indictments nor I claim that every court in BiH or Britain will do its job excellently. However, the principle is the same, the courts implement justice, not the politicians"*. Asked what kind of BiH he would hope for if he were a BiH citizen, the HR says: *"If you want my speculation, whether there will be entities in 20 years time, my answer is – I doubt it. Even if they did exist, there will be more in theory than in practice"*.
RS Government appoints working group to analyse Srebrenica Report documentation	**BHT, FTV, RTRS, Dnevni Avaz** pg 2 'Eight-member working group to analyze Annexes to Srebrenica Report', **Oslobodjenje** pg 4 'Identification of individuals mentioned in confidential annexes', **Dnevni List** pg 6 'To identify individuals from report' by NINA, **Nezavisne Novine,** pg. 6 'Work Group for Srebrenica was appointed' by Srna, **EuroBlic,** pg. RS 2 'To name the culprits' by M. J. – RS Government has established working group for implementation of Srebrenica Commission Final Report's conclusions. 8-member working group should deliver report before end of February 2005. Head of working group is **Jovan Spajic**, Director of RS Office for co-operation with ICTY and investigation of war crimes. The other members of working group are representatives of RS Legal Representative Office, RS MoD and RS Army HQ, RS MoI, RS President and RS Office for search of missing persons.

SB: Ratko Mladic enters BiH under name Milan Milic	**Slobodna Bosna** cover splash, pgs 14-16 'Mladic in Han-Pijesak' by Mirsad Fazlic and Adnan Buturovic – SB comments to the continuous reporting on **Ratko Mladic**'s residence in Han Pijesak last year saying that by claiming this the HR **Paddy Ashdown** and EUFOR Commander **David Leakey** are justifying the removals of officials from RS political, police, military and intelligence structures. However, SB agrees with Ashdown that Mladic was in Jan Pijesak, further outlining the details of Mladic's alleged border crossing from Serbia to BiH on 30 August 2003, under name of **Milan Milic**. SB says that the crossing was organized by the Deputy SCG Defence Minister, **Svetislav Ristic**. According to the article, on that occasion Mladic was escorted by the State Border Service unit lead by **Petko Pavlovic** and chiefs of police forces in Zvornik, Trebinje, Bileca, Foca, and Pale [all removed by Ashdown]. Authors also claim that Pavlovic is one of the key Mladic's assistants, which was allegedly also known to OHR and SFOR in the past. They also say that a number of SBS officers [SB names **Radenko Nikolic**, **Mladen Stojanovic**, **Zoran Janjic** and **Ivo Jovic**] participated in protecting Mladic, while such protection is still provided by current employees of SBS, RS police in Zvornik and Eastern Bosnia, and local Serb population.

Economic/social issues

CoM Chairman Terzic meets with Canadian businessmen prepared to invest in highway construction in BiH	**BHT, Oslobodjenje** pg 2, mentioned on cover 'Canadians offer 2.5 billion euros for 5c Corridor', **Dnevni Avaz** pg 13 'Canadian businessmen interested in funding 5c Corridor construction in BiH', **FENA** – BiH Council of Ministers Chair **Adnan Terzic** met representatives of the Canadian banking, business and public sector **Tyson Johnson** and **Eric San** in Sarajevo on Thursday. They discussed possibilities for direct investments in BiH. Johnson and San informed Terzic about plans to organise a visit of Canadian businesspersons to BiH this year and to establish an association of BiH and Canadian businesspersons, for which they have the support of the Canadian Embassy in BiH. Furthermore, Canadians wish to ensure financing of the construction of the corridor 5-C, in cooperation with Bosmal, and they are interested in other projects as well. *"We have gathered a strong team of Canadian companies, including the Pacific and Western Bank of Canada, one of the strongest banks in Canada, in order to invest in projects in BiH. We are prepared to invest 2.5 billion euros in the construction of the corridor 5-C, and we view Bosmal as a company able to initiate this project",* Johnson said. Terzic confirmed to Canadian representatives that the policy of the BiH Council of Ministers is to make BiH the most attractive country for foreign investments in the region. He added that the construction of the corridor 5C represents a strategic project for BiH. BiH Communications and Transport Minister **Branko Dokic** also took part in the meeting. The Canadian delegation is visiting BiH at the invitation by Sarajevo-based Bosmal Company. **Dnevni List** pg 2 'Canadians invest in important projects through Bosmal' by D. Polovina-Mandic also covered the issue. DL says that during their visit to Sarajevo Canadian businismen also met with High Representative **Paddy Ashdown**.

OHR welcomes passage of the Law on VAT	**RHB, FTV, Oslobodjenje** pg 8 'Support to adoption of VAT law', **Dnevni List** pg 5 'OHR welcomed adoption of Law on VAT' by NINA, **FENA** – The OHR welcomes the passage of the Law on VAT with a single rate of 17 percent in the BiH House of Representatives on Wednesday. It has been a demanding task to ensure the parliamentary support for this law, which the BiH Government has conducted successfully by combining determination and patience, said the OHR. *"This also indicates that the Government continues to work. introduction of the VAT system is an important precondition for further integration of BiH into Europe, but it is just as important that it can bring actual benefit to BiH citizens before the EU membership becomes a reality"*, said the OHR. A simple VAT system will boost revenue the government can spend on advancing of social services. Tax evasion will be more difficult, by which the honest enterprising will have an advantage, and it will help reduce corruption in BiH. *"VAT will also stimulate potential investors to seriously consider investing money in BiH enterprising and creating new jobs"*, read the OHR statement.
Pensioners leader Ljiljanic on VAT	**Dnevni List** pg 4 'Ljiljanic: New social measures are necessary' by M. Karacic – Commenting on VAT introduction President of the BiH Association of Pensioners **Jozo Ljiljanic** stated that this Law will affect the pensioners a lot. According to him, another period of poverty and starving is ahead of pensioners if new social programs were not passed.

On protests of former customs officers	**Dnevni List** pg 4 'Customs officers suspicious about election of candidates' by T. Bijelic –After they received a negative reply from the Indirect Taxation Administration with regard to their demand for annulment of an internal vacancy notice, 42 employees of former Customs Office in Orasje (they have not been assigned to new posts) blocked the exit of the customs terminal Orasje. According to them, in this way they expressed their dissatisfaction over the fact that they lost job due to the re-organization of the customs administration. **Slobodna Dalmacija** pg 20 'They should tell us as to why they dismissed exactly us!' by F. Mioc reports on a similar protest organized by dismissed customs officers from Livno and Tomislavgrad at the Kamensko border crossing. **RHB, FTV** also reported on the protests.
SD: 'Kuwaitis taking over job from Ante Markovic?'	**Slobodna Dalmacija**, pg 9, mentioned on front ''Kuwaitis taking over job from Ante Markovic?', by Blanka Magas – Noting that BiH has not used its full potential when it comes to production of electricity, SD says that many foreign companies are interested in investing into the business in BiH, among them the last prime minister of socialist Yugoslavia, **Ante Markovic**, who enjoys a support of several Italian companies. SD also notes that **Haris Silajdzic**, who is labeled by the papers as *"one of most influential politicians in BiH"*, announced that the Kuwait-based KIA investment agency is interested in investing in the energy sector in BiH. In that context, SD says that having in mind that the FBiH Minister of Energy and Industry, **Izet Zigic**, is a member of *"Silajdzic's SBiH"*, it is likely that the KIA will not have problems in achieving its objectives.

Legal proceedings

Trial of Ante Jelavic continues before BiH Court	**FTV, Oslobodjenje** pg 5, mentioned on cover 'Chief of Financial Police made the defendant nervous' by A.N., **Dnevni Avaz** pg 4 'Jelavic caused an incident in the courtroom' by A.M., **Dnevni List** pg 3, mentioned on front, 'Financial police stated evidence against Jelavic' by E. Mackic, **Vecernji List** pg 2 'Jelavic lost nerves in courtroom because of witness, mentioned on front, 'Jelavic lost nerves in courtroom' by A. Drmac, **Slobodna Dalmacija** last pg 'Trial against Ante Jelavic: Mirsad Barjaktarevic questioned' by Z.T., **FENA** – The trial of **Ante Jelavic** in the Hercegovacka Bank case continued before the BiH Court on Thursday with the testimony by FBiH Financial Police Chief **Mirsad Bajraktarevic**. Bajraktarevic talked about the investigation into activities of the Hercegovacka Bank (HB), which the Financial Police started in April 2001. The investigation provided information about financial transactions of the FBiH Ministry of Defence in 1997 and 1998 with a number of legal entities and companies with the objective of acquiring ownership over HB shares. Inspectors also gathered evidence on the approval of mandate loans via HB by the FBiH MoD, and illegally gained money that was used for money laundering. Bajraktarevic said that funds provided by Croatia for the Croat component of the FBiH Army since 1997 had to be treated as a donation that would be included into the FBiH Budget, which was not the case. Balraktarevic also said that during the first part of the investigation he took from HB handwritten documentation which concerned the income of funds from Croatia to the HVO account, but that this documentation was taken from him by people from HB. According to media reports, the testimony made Jelavic nervous and he caused a minor incident in the courtroom. Judge **Malcolm Simons** scheduled the continuation of the trial for January 17 when the new prosecution witness will take the stand.

Update to Mandic case	**EuroBlic** pg 13 'Momcilo Mandic targeted by Prosecutors' by SRNA – The BiH Court on Thursday reached verdicts in the Case of Privredna Banka East Sarajevo. **Aleksandar Mandic** was sentenced to 14 months imprisonment, **Drazenko Mandic** to 15 months and **Dragoslav Popovic** to 20 months. The Panel of Judges rejected proposal for custody release of the three, adding that the motion for probation release should be filed with the BiH Justice Ministry Commission. **Jonathan Ratel,** Prosecutor with BiH Prosecutor's Office, told the press that the investigation on the destiny of the money missing from Privredna Banka continued. He said it was suspected the money had been laundered and also that assistance was provided to persons under investigation on other matter. **BHT, FTV and Sarajevo papers** also covered the issue.
Update to Alijagic case	**Nezavisne Novine** pg 8 'Mikerevic addressed appellation to BiH Constitutional Court' by N.N. – Following the blockade of Trebinje Municipality Budget, **Dragan Mikerevic,** the outgoing RS PM, on Thursday filed an appellation with the BiH Constitutional Court, proposing this Court to carry out temporary measure of suspension of verdict in **Alijagic** case. The appellation reads that the verdict implementation has jeopardised the functioning of the municipality of Trebinje, *"since its budget cannot meet enormous amount passed by the verdict".* **BHT, RTRS** also covered the issue.

Miscellaneous

On regularity of elections for Croatian President in BiH	**Dnevni List** front pg splash 'Details from talk between Mesic and Racan' and pg 6 'Racan demanded from Lagumdzija help in protection of elections' regularity' by De.L. – Due to numerous irregularities in the first round of voting for the election of the Croatian president in BiH, at the initiative of SDP Croatia President **Ivica Racan** this party asked SDP BiH and it President **Zlatko Lagumdzija** to form the Headquarters whose task will be monitoring regularities of the second round of the Croatian Presidential elections in BiH. According to DL, they received this information from a source close to the Election Headquarters of the candidate for the aforementioned elections **Stjepan Mesic**. DL also says that this initiative is the result of the talks that Mesic and Racan have had these days and according to DL sources SDP BiH accepted this proposal. On the same issue **Dnevni List** pg 10 'Criminal charges for elections' deceit in BiH' not signed, **Vecernji List** pg 13, mentioned on front, 'The deceased and those who stayed home voted' by R. Kovacevic Barisic, S. Perica, **Slobodna Dalmacija** pg 6 'GONG filed criminal charges because of elections' deceits in BiH' by S. Pavic carries that on the ground of media reports and information coming from citizens representatives of GONG (the Association which monitors regularity of elections in Croatia) concluded that they have indications about serious irregularities during elections for the Croatian President at polling stations in BiH and for this reason they files criminal charges against an unknown perpetrator to the Croatian General Attorney's Office. **RHB, BHT, FTV** also covered the issue.

DL interview with Herzegovina-Neretva canton PM Coric on financing the cantonal institutions	**Dnevni List**, pg 13, mentioned on front 'Parallelisms in many segments must exist', by Sanja Bjelica – Carries an interview with the Canton 7 Prime Minister, **Miroslav Coric**, in which he mostly talks about issues pertaining to financing of institutions in the canton, which have recently caused plenty of discontent among the budget beneficiaries. Questioned to comment on the issue of funding of 'Narodno Pozoriste' (People's Theater, Bosniak pre-dominant, which was removed from list of beneficiaries in the cantonal budget), Coric explains: *"There are institutions in Mostar that were both on the budget of the city* (Mostar) *and budget of the canton (…) One of the easiest problems that we had was the 'Narodno Pozoriste' and 'Hrvatsko Narodno Kazaliste'* (Croat pre-dominant theater). ***Hamdija Jahic*** *and me, as presidents of city boards of the SDA and HDZ talked to the IC representatives and agreed that the 'Narodno Pozoriste' stays on the City budget, which Jahic chose, and that the Croat National Theater goes to the cantonal budget"*. Furthermore, when talking about some parallel institutions in the City of Mostar, PM Coric says there are many institutions that can be unified, noting that however some have to stay parallel, because of big difference among them: *"It is impossible to have two segments of social policy in the city, but it is possible to have two soup kitchens because in one of them you cannot serve pork. Also, the administration for issues of defenders must be double"*, says PM Coric.

FBiH Government discussed HR-imposed laws, appointment to the Federation institutions	**RHB, BHT, FTV, Dnevni List** pg 5 'Kovacevic and Rogic should remain Heads of Pension Insurance Bureau (PIO/MIO)' by J. Petrovic, **Vecernji List** pg 2 'Public Company 'Gas' exempted from privatization' by eme – During its session held on Thursday, the Federation of BiH Government sent to the Parliament a proposal of the Law on Pardon, passed by High Representative **Paddy Ashdown** at the end of November last year. With regard to the demand of the FBiH ombudsmen to remove Director of the Pension Insurance Bureau (MIO/PIO) **Nadir Kovacevic** and his Deputy **Ivan Rogic**, the FBiH Government passed the conclusion according to which quality, capability and experience were crucial factors when their appointment to aforementioned positions is in question. **Sarajevo dailies** also covered the issue.