

# OHR BiH Media Round-up, 15/7/2004

<b>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)
Terzic meets IMF's Doyle	BiH HoR session	Posavina farmers' protests	ID Forgery sin RS
FBiH Budget re-balance	New audit reports	BiH HoR session	Radioactive Fructal's juices
SIPA new premises	SIPA in new premises	Audit reports	SDS funds transferred
OHR on Together to Truth	US' Bond on Eagle base	FBiH ombudsmen report	New SIPA premises

<b>Oslobodjenje</b>	Scandal in the BiH HoR: Vote on illegal property forged
<b>Dnevni Avaz</b>	Hadzipasic on internal debt: We cannot pay out 3 billion KM in cash
<b>Dnevni List</b>	Collective resignation of BiH Presidency members requested
<b>Vecernji List</b>	MPs were taking welfare allowances
<b>Slobodna Dalmacija</b>	Republika Srpska's debt of 215 million KMs to be taken over by Federation
<b>Glas Srpske</b>	The strictest on Drina; Loan for house rents
<b>Nezavisne Novine</b>	One third of petroleum is of poor quality; Crime from RS "Elektroprivreda" at the desk of Prosecutor Ratel; SIPA became operative; Bogdan Vasic pleaded not guilty for production of heroin; Al Harbi was wounded while participating to war in Bosnia; Approximately 2,400 pensioners from the Federation lost their incomes
<b>Blic</b>	BAM 10 million for changing names of towns

Economic affairs/audits	
<p><b>Scandal in the BiH HoR: Vote on illegal property forged</b></p>	<p><b>Oslobodjenje</b> cover page, pg 9 'Vote on illegal property forged', <b>Dnevni Avaz</b> pg 2 'Krizanovic's law did not get support' – SDP BiH deputies to the BiH House of Representatives lodged a complaint over forgery of vote on the SDP-proposed draft law on confiscation of the illegally obtained property. Before it was put on the agenda of the yesterday's HoR session, the draft had been considered by the Constitutional-Legal Commission of the House, which informed the deputies it could not accept SDP principles for the establishment of a state-level agency to be tasked with the issue. A total of 17 members of the parliament supported such the commission's position while 16 were in favour of the SDP proposal. SDP claims that a vote of <b>Selim Beslagic</b>, who also was for the SDP proposal, was not counted which makes the voting procedure irregular.</p>
<p><b>Hadzipasic on internal debt settlement</b></p>	<p><b>Dnevni Avaz</b> cover page, pg 4 'We cannot pay out 3 billion KM in cash' – <i>"The draft law on internal debt, which has been forwarded to the Federation Parliament by my Government, is a part of our strategy. The law ensures immediate assistance to the most vulnerable categories – pensioners and workers will start receiving payments in cash by the end of the year if the Parliament adopts the draft at its session next week,"</i> writes FBiH Prime Minister <b>Ahmet Hadzipasic</b> for Dnevni Avaz.</p>

**BiH HoR discusses  
report on audit  
into state  
Presidency's  
operations**

**Herceg Bosna Radio, BHTV, FTV, RTRS, Oslobođenje** pg 10 'Audit into BiH Presidency operations on wait', **Nezavisne Novine**, pg. 4 'Opposition requests for dismissal of BiH Presidency' by M. Cubro, **FENA** – BiH House of Representatives on Wednesday considered the BiH Auditor's Office report on financial operations of BiH Presidency in 2003. After a long discussion, it was decided that the proposed conclusions stated during the discussion would be forwarded to the House's Commission for Finance and Budget, which should consider them and make a report that will be forwarded to the House for consideration. The relevant commission will consider all the remarks made by the deputies, after which the House of Representative should vote on the Audit Office's reports on financial operations of BiH Presidency and other BiH institutions. The session should resume on July 27, when the House of Representatives should consider the Report on security situation in BiH in 2003, which is to be prepared by BiH Council of Ministers.

**Vecernji List** front pg 'MPs were taking welfare allowances' and pg 4 'MPs were taking children allowances envisaged for poor people only', by E. Medunjanin carries that the House of Representatives of the BiH Parliament discussed yesterday the Auditors' Office reports on the financial operations of BiH institutions. VL says that according to the auditors' reports apart from the BiH Presidency, shortcomings were noticed in the financial operations of the BiH Parliament, state agencies and judicial bodies. As an example, the auditors' report stated the MPs in the BiH Parliament were taking children allowances, which are envisaged for social cases only.

**Dnevni List** front pg and pg 5 'Collective resignation of BiH Presidency members requested', by D. Polovina-Mandic carries on the same issue that due to wastefulness of the BiH Presidency members, the MPs in the HoR of the BiH Parliament requested yesterday a collective resignation of the BiH Presidency members as an example of responsibility towards citizens and BiH institutions.

<p><b>BiH Presidency adopted Financial Plan</b></p>	<p><b>Herceg Bosna Radio, FTV, Oslobođenje</b> pg 10 'There was no overstepping of the budget', <b>Dnevni Avaz</b> pg 2 'All three cabinets will have equal sum of money at their disposal', <b>Nezavisne Novine</b>, pg. 4 'New financial activities plan was adopted' by A. S., <b>Vecernji List</b> pg 2 'Equal spending in all three offices of BiH Presidency' by D. Jazvic, <b>Dnevni List</b> pg 7 'Members of Presidency will be spending equal part of money' by I. Tabucic, <b>FENA</b> – In accordance to the plan of action to remove shortcomings identified by the BiH Audit Office, BiH Presidency adopted the Financial Plan at its session in Sarajevo on Wednesday. The BiH Presidency Chair <b>Sulejman Tihic</b> told journalists that the Financial Plan was designed on basis of the approved budget, where it was clearly defined which costs are regarded as "joint costs", and which costs refer to the Presidency Secretariat, and the cabinets. <i>"We have accepted the remarks by the Audit Office regarding the financial operations of the BiH Presidency. The Presidency had been spending all the funds within the framework of the approved budget. Thus – there is no exceeding of approved funds, whether by budget, or the budget rebalance. It was ascertained that the Secretariat in certain cases did not fully obey the funds spending procedure"</i>, stressed Tihic. At the Presidency session, it was also stated that <i>"the cabinets had spent funds unequally"</i>. Tihic added that as of now each cabinet would have the equal amount of funds.</p>
<p><b>Terzic meets with IMF's Doyle</b></p>	<p><b>Oslobođenje</b> pg 4 'Talks on new stand-by arrangement', <b>Dnevni List</b>, pg 5 'Discussion about new stand-by arrangement for BiH', <u>not signed</u> – BiH Council of Ministers Chairman, <b>Adnan Terzic</b>, yesterday held talks with the Head of Mission of the International Monetary Fund (IMF) to BiH, <b>Peter Doyle</b>, about the modalities for concluding the new Stand-by Arrangement for BiH. They agreed that the recently completed Stand-by Arrangement has confirmed the preservation of the macro-economic stability and preparedness of BiH authorities to continue implementing reform. It was ascertained that the indicated progress would affect the next degree of cooperation with IMF, including the more significant possibility for BiH to control its budget. It was emphasized that it is necessary to provide for full capacity functioning of the Indirect Taxation Authority and speedy introduction of Value Added Tax (VAT) in BiH. Terzic and Doyle also underlined the need for accelerating appointment of Director and Deputy Director of the BiH Statistics Agency, which would create the conditions for the Agency for take over the positive European standards in insuring the relevant data for the future quality of relations between the Council of Ministers and IMF.</p>

<p><b>Coordination Board for Economic Development and European Integration adopts yet 340 measures</b></p>	<p><b>FTV, RTRS, Oslobođenje</b> pg 8 'End of privatisation by mid next year', <b>Dnevni Avaz</b> pg 8 'Hays: Negotiations with EU on stabilisation and association might start by the end of this year', <b>Nezavisne Novine</b>, pg. 9 'Development Strategy Action Plan was adopted' by <u>Srna</u>, <b>Glas Srpske</b>, pg. 3 'Half of year for future' by <u>Srna</u>, <b>FENA</b> – The Coordination Board for Economic Development and European Integration on Wednesday adopted the Action Plan of 340 measures that should be taken in 28 segments of BiH economy in the next six months. <i>"This is an important document, which represents the first phase of implementing the BiH Development Strategy – PRSP, and some of the measures refer to improving the business environment"</i>, said the Coordination Board Chair and Chair of the BiH CoM, <b>Adnan Terzic</b>. The Action Plan will be forwarded to the BiH Parliamentary Assembly for adoption, added Terzic, expressing hope that the Parliament would support this document. The Coordination Board also considered the initial proposal of activities that will be implemented in cooperation with the World Bank, as the main authority for the matters of privatization in BiH. <i>"Representatives of the international community are pleased that the Action Plan has been supported by all three prime Ministers"</i>, said the Principal Deputy High Representative, <b>Donald Hays</b>. However, said Hays, the international community is worried about the capacities for implementing the reforms. <i>"Thus, we have appealed to the governments on all three levels to insure that the ministers implement each of these reforms and that they are directly responsible for this"</i>, said Hays. <b>Slobodna Dalmacija</b>, back pg 'Talks on joining EU start by end of year?', by <u>Zdenko Rerig</u>, <b>Dnevni List</b>, pg 8 'Completion of privatization in BiH in next 12 to 18 months', by <u>Vedran Vujovic</u> – a six-month Action plan for implementation of Mid-term development strategy in BiH was adopted yesterday at a session of the Coordination board for economic progress and European integration with the BiH Council of Ministers. The Action plan was adopted in presence of the entity Prime Ministers, <b>Dragan Mikerevic</b> and <b>Ahmet Hadzipasic</b>, and Principal Deputy High Representative, <b>Donald Hays</b>. Chairman of the BiH Council of Ministers, <b>Adnan Terzic</b>, stated that the Action plan had 346 measures that need to be adopted in the next 6 months, which covered 28 segments of the BiH economy and which would be sent to the BiH Parliament for adoption. Terzic also noted that the session also discussed the proposal of activities that needed to be carried out with the World Bank in the area of privatization in BiH, in order to complete the privatization in the next 12 to 18 months.</p>
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<p><b>Robinson hopes Hercegovacka bank will be sold to Croatia consortium</b></p>	<p><b>Dnevni List</b>, pg 5 'I hope bank will be sold to consortium', by <u>D. L.</u> – The Provisional Administrator for Hercegovacka bank, <b>Toby Robinson</b>, denied the media reports according to which the Croatian consortium, which is interested in buying the bank, is thinking to pull out from the operation. Robinson noted that the talks were still ongoing, hoping that the bank would be sold to the consortium. <b>Ivica Todoric</b>, the man who leads the consortium, was not able for comment for second day running.</p>
<p><b>Old foreign currency savers meet FBiH Finance Minister Vrankic</b></p>	<p><b>Dnevni List</b>, pg 3 'Savers want special law on old foreign currency savings', by <u>Ivica Glibusic</u> – representatives of old foreign currency savers met on Tuesday with the FBiH Finance Minister, <b>Dragan Vrankic</b>, to talk about issues pertaining to the old foreign currency savings. One of topics of the meeting was a proposal of provisional solution according to which the State would be buying its shares/bonds earlier, in case it can afford to, however the savers are not happy with this solution because it does not offer firm guarantees. DL notes that the Association of old foreign currency savers will try to have the old savings regulated by a special law and find more effective mechanisms for the return of old savings. The savers will try to do this through MPs. In case they fail, they will be seeking justice in Strasbourg (European Human Rights Court).</p>
<p><b>SD claims FBiH to pay vouchers issued in RS</b></p>	<p><b>Slobodna Dalmacija</b>, front and pg 13 'Republika Srpska's debt of 215 million KMs to be taken over by Federation', by <u>Frano Mioc</u> – the author argues that the FBiH will be worse off in the whole story about payment of old savings, explaining that the FBiH will be paying a part of vouchers issued by the RS in the amount of 215 million KMs. According to SD, the essence of the problem is that the vouchers of people permanently residing in the FBiH, which were issued in the RS, will be turned into certificates of the FBiH. SD also carries an MP in the FBiH Parliament, <b>Ante Colak</b> (HSS), as saying it is the most direct aid to the existence of the RS, pointing the finger at <i>"most probably the OHR, World Bank and International Monetary Fund"</i>.</p>
<p><b>RS transfers SDS funds to BiH institutions</b></p>	<p><b>BHTV, RTRS, Nezavisne Novine</b>, pg. 2 'BAM 386,478 was transferred to BiH institutions instead to SDS' by <u>A. S.</u>, <b>Vecernje Novosti</b>, pg. 4 'SDS remains without money' by <u>M. L.</u> – <b>Zarko Mionic</b>, the Associate of RS Treasury Minister, yesterday confirmed that BAM 386,478 was transferred to BiH institutions instead to SDS from budgets of RS and Municipalities. 32 out of 63 Municipalities from RS have transferred funds, while other Municipalities have notified the Ministry that funds had been planned but, due to lack of money of absence of persons in charge of approving such transfers, they could not have been able to transfer the funds as yet. <b>Both Sarajevo dailies, Dnevni List</b> pg 19 '390 000 KM of SDS money to state institutions' <u>not signed</u> reported on the issue.</p>

<p><b>Federation of BiH Chief Auditor on situation in Ministries</b></p>	<p><b>Nezavisne Novine</b>, pg. 8 'The worst situation is at the Ministry of Interior and Defence Ministry' by <u>R. Cengic</u> – The Chief Audit of the Federation of BiH, <b>Ibrahim Okanovic</b>, gave an interview to Nezavisne Novine, in which he commented results of the audit for 2003. He said that the largest problem is non-transparent spending of funds by some beneficiaries. According to Okanovic, the worst situation is always at the Ministries that spend the most of the funds – Defence Ministry, Ministry of Interior, Ministry for Veterans and Invalid Persons, as well as at the Ministry for Refugees and DP, in which lots of funds are spent on procurements for refugees. <i>'They spend the most of funds and there could be the most of irregularities but these mostly reflect on non-publishing of tenders, violation of the provisions on procurement of goods and services and failure to correct mistakes from previous years, because these must be corrected'</i>, Okanovic stated.</p>
<p><b>GS on imports of meat from SCG</b></p>	<p><b>Glas Srpske</b> cover page story 'The hardest on Drina' – Serbia exports meat and meat products to European Union states, but this did not help its meat industry to cross the border on Drina river according to GS. BiH CoM has previously decided to enact the ban on import of meat and meat products from Serbia, owing to foot-and-mouth diseases. However, these diseases have been wiped out a long time ago, but meat from Serbia is not imported into BiH, although meat is imported to BiH from many other states, according to <b>Drago Nedjic</b>, assistant to RS Minister of Agriculture for veterinary.</p> <p><b>Mladen Micic</b>, President of RS Chamber of Commerce, does not exclude the possibility that the ban is still on because the BiH Ministry for foreign trade and economic relations is avenging RS, that opposed to introduction of customs-free quote on meat import to BiH.</p>
<p><b>Investigation into RS "Elektroprivreda"</b></p>	<p><b>Nezavisne Novine</b>, cover and pg. 2 'Crime from RS "Elektroprivreda" at the desk of Prosecutor Ratel' by <u>A. Sisic</u> – A special department of the State Prosecution for fight against organized crime has launched an investigation on business conducting of RS "Elektroprivreda" for 2002 and 2003. A source close to the Prosecution has stated that the international prosecutor of the Special Department, <b>Johnatan Rattel</b>, has recently launched this investigation. Rattel yesterday confirmed this information and refused to disclose any details. As in accordance with unconfirmed information, the investigation will include some high-ranking RS officials from time when RS "Elektroprivreda" has suffered the loss amounting BAM 166 million.</p>

<p><b>Implementation of the Agreement on Social Insurance agreed between BiH and SCG</b></p>	<p><b>Nezavisne Novine</b>, cover 'Approximately 2,400 pensioners from the Federation lost their incomes', pg. 6 'Approximately 2,400 pensioners from the Federation of BiH were left without incomes' by <u>R. Cengic</u> – As of June 1, approximately 2,400 pensioners stopped receiving pensions from the Federation of BiH Pension Fund due to the Agreement on Social Insurance, signed between BiH and SCG, that came in force on January 1 this year. '<i>They will continue receiving pensions from the SCG Pension Fund, because firms in which they have earned pensions are seated in SCG. They will start receiving pensions in the next three months</i>', the Spokesperson of the Federation of BiH Pension Fund, <b>Zarif Safic</b>, has stated.</p>
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<p><b>Security/investigations/legal proceedings</b></p>
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<p><b>SIPA in new premises</b></p>	<p><b>Herceg Bosna Radio, BHTV, FTV, RTRS, Oslobođenje</b> pg 7 'Terzic called on Director Novic to start working', mentioned on cover 'SIPA has started operating', <b>Dnevni Avaz</b> og 3 'Novic: SIPA will soon be powerful and well organised', <b>Nezavisne Novine</b>, cover and pg. 4 'SIPA became operative' by A. Sisic, <b>Glas Srpske</b>, pg. 3 'Against crime in full speed' by Srna, <b>EuroBlic</b>, pg. RS2 'SIPA moved in 'Zrak'' by J. D., <b>Dnevni List</b> pg 2 'SIPA is becoming most efficient police institution in BiH' by E. Mackic, <b>Slobodna Dalmacija</b> pg 12 'Hunt after criminals all over the country' by B. Magas, <b>ONASA</b> – Today we proved to BiH citizens and the international community that the Council of Ministers does not only adopt reform laws but also implements them, CoM Chairman <b>Adnan Terzic</b> said on Wednesday at the ceremony marking the beginning of work of the BiH State Information and Protection Agency (SIPA) in new premises in the building of Sarajevo's Zrak factory. Terzic stressed the speed of implementation also depends on persons leading the institutions and called on the SIPA leadership to fulfil the goals and operative plans of the agency. <i>"We must precisely say that we have lost 21 months setting up a legal and technical framework for SIPA's functioning. We have no more days for waiting,"</i> he said. SIPA Director <b>Sredoje Novic</b> said that BiH citizens and the international community expect SIPA to be an efficient police institution in processing and especially arresting suspected war criminals. He added he supports the police reform in BiH, in which SIPA will actively take part. <i>"We want an efficient and reconstructed police, efficient SIPA, which is a key condition of the European Commission for fulfilling conditions of the Feasibility Study for joining the EU and the Partnership for Peace. Only a reconstructed security system will enable BiH citizens to travel to the EU without visas,"</i> Novic said. EU Police Mission (EUPM) Commissioner <b>Kevin Carty</b> said that this is a very important day in history of law implementation in BiH. <i>"For the first time BiH has a roof agency with full police authorizations and a mandate which will enable it to investigate hard crime,"</i> Carty said. He added the parliament and the Council of Ministers have made a great job in short notice by adopting a new package of laws on SIPA. <i>"The EUPM was pleased to have an opportunity to provide assistance and consultations during the set up of SIPA. Now, SIPA will need support of all police services in BiH as well as the international community assistance so that SIPA could become a credible and effective agency,"</i> said Carty. High Representative <b>Paddy Ashdown</b> said the official start of SIPA's work and opening of the newly-constructed Old Bridge in Mostar next week present a significant moment by which, in some way, BiH citizens will leave the past behind. <i>"By putting in force the key laws on the set up of SIPA, the present agency will transfer in a strong police force at the state level which is capable to fight against organized crime, illegal immigration, international terrorism, money laundering,"</i> Ashdown said. The ceremony was also attended by BiH Presidency members, entity prime ministers, entity police directors and international community officials.</p>
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<p><b>FBiH Ombudspersons say wire-tapping of Alibabic illegal</b></p>	<p><b>FTV, Oslobođenje</b> pg 6, mentioned on cover 'FBiH Supreme Court allowed illegal wire-tapping of Alibabic and the others', <b>Dnevni Avaz</b> pg 8 'FOSS violated European Convention by wire-tapping Alibabic', <b>Nezavisne Novine</b>, pg. 2 'Human rights were violated by wiretapping' by A. S., <b>ONASA</b> – BiH Federation Ombudspersons <b>Vera Jovanovic, Esad Muhibic</b> and <b>Branka Raguz</b> issued a report on Wednesday, in which they stated that the rights of <b>Munir Munja Alibabic</b> and others were violated by the FBiH Supreme Court and Intelligence-Security Service. The report states that the wire-tapping of Alibabic and presentation of transcripts of his phone conversation to the media afterwards is a violation of Alibabic's right to privacy by the Intelligence Service. Following a detailed research, the Ombudsmen said that the Intelligence Service based its request for wire-tapping, accepted by the Supreme Court, on the law on intelligence, which does not foresee procedures based on Article 8 of the European Convention on Human Rights, leaving possibilities open for public abuse. The Supreme Court's approval of the wire-tapping request was issued without consulting the prosecution, as defined in the Criminal Proceedings Code, does not contain the Court seal, date or reasons. Furthermore, the approval was written on the same form used by the Intelligence Service, meaning that the judge did not actually pass a decision, but merely ratified the approval prepared by the Service. The Ombudsmen said that the Intelligence Service and Supreme Court had thus violated Article 8 of the Convention and Criminal Proceedings Code.</p>
<p><b>BiH Court rejects Prosecutor McNair's request</b></p>	<p><b>Vecernji List</b>, pg 5 'BiH Court rejects conjoint request and wants explanations', by <u>Z. K.</u> – The BiH Court has rejected a conjoint request of the Special department of BiH Prosecution for organized crime and corruption, which is led by Prosecutor <b>John McNair</b>, who wanted that investigations against 40 suspects, including current and former senior officials such as <b>Dragan Covic</b> and <b>Edhem Bicakcic</b>, be transferred from cantonal onto the state level court. Allegedly, Prosecutor McNair resolutely responded to the BiH Court President, <b>Martin Raguz</b>, requesting not to obstruct his work. President Raguz told VL that he had told Prosecutor McNair that he could not meet the conjoint request. <i>"We expect him to explain every single case individually, because the Law on Criminal Proceedings stipulates so"</i>, said Raguz.</p>
<p><b>Letter of Carla Del Ponte to RS Association of Former Camp Inmates</b></p>	<p><b>Nezavisne Novine</b>, pg. 8 'Carla Del Ponte sent a letter to RS Association of Former Camp Inmates' by <u>Onasa</u>, <b>Vecernje Novosti</b>, pg 21 'She expects help' by <u>M. L.</u>, <b>EuroBlic</b>, pg. RS2 'They expect indictments for crimes in Srebrenica' <u>Marija Jandric</u>, <b>Glas Srpske</b>, pg. 2 'Gratitude from the Hague' by <u>G. K.</u> – Chief Prosecutor of the Hague Tribunal <b>Carla Del Ponte</b> has sent a letter to the RS Association of Former Camp Inmates to express her gratitude for their cooperation with ICTY Prosecution. She stated in the letter that there are important cases in which the Association can provide with a great help. <b>Oslobođenje</b> pg 3 'You can help us' also covered the issue.</p>
<p><b>Trial in case of acetic-anhydride import</b></p>	<p><b>Nezavisne Novine</b>, cover and pg. 3 'Bogdan Vasic pleaded not guilty for production of heroin' by <u>D. Muminovic</u> – <b>Bogdan Vasic</b>, accused of illegal imports of acetic-anhydride used in production of synthetic drugs, pleaded not guilty at the BiH Court yesterday. He was accused of illegal trades in drugs, persuasion to verification of untrue contents and falsifying of documents.</p>

<p><b>NN op-ed on Karadzic</b></p>	<p><b>Nezavisne Novine</b> op-ed pg 7 'Indigestible media appearances' by <u>Josip Blazevic</u> – The author is writing about the latest information that in February this year, SFOR was informed of whereabouts of <b>Radovan Karadzic</b> but failed to arrest him. According to the author, there are three conclusions we could work out from this.</p> <p>First is that international community is engaged in negotiations with <b>Radovan Karadzic</b> on his surrender as some media are reporting. However, there are still no good arguments to support these media claims. Second is that if SFOR is aware of <b>Karadzic's</b> whereabouts but is still failing to carry out the arrest, it raises the question whether IC wants to use <b>Karadzic's</b> freedom for some political purposes, like to ban the work of SDS or abolish RS. According to the author, it is hard to believe that at this moment, international community would decide to make such a drastic move.</p> <p>Third possible conclusion, also most probable, is that SFOR is incapable of arresting <b>Karadzic</b>. He also says that latest and most frequent media statements by <b>Virgil Packett</b>, justifying inefficiency of SFOR units, have become "<i>simply put, indigestible</i>".</p>
<p><b>Forgers of IDs arrested in Banja Luka</b></p>	<p><b>RTRS, Nezavisne Novine</b> cover and pg 3 'CIPS employee and two persons arrested'; <b>Glas Srpske</b> cover page report 'Forger arrested' – <b>Rade Mutic</b>, Spokesperson of the Banja Luka PSC, yesterday confirmed that three persons suspected of having been engaged of forgery of personal ID cards and traffic licences were arrested in Banja Luka yesterday.</p> <p>The arrest was carried out at CIPS premises, where two of three arrested persons are working, as GS learnt from unofficial sources.</p> <p>According to NN, one of three persons is CIPS employee.</p>
<p><b>CIPS Directorate denies involvement of its employees in illegal issuance of IDs</b></p>	<p><b>BH Radio 1, Radio of RS</b> News Programs at 1200 today – CIPS Project Implementation Directorate said today that not a single CIPS Directorate employee had been arrested in a RS Ministry of Interior operation related to the illegal issuance of the personal documents neither the CIPS Directorate employees may be linked to the incident.</p>
<p><b>Dispute over constructing of a mosque in Prijedor</b></p>	<p><b>Nezavisne Novine</b>, pg. 10 'Owner placed improvised fence' by <u>D. Maricic</u> – <b>Radenko Daljevic</b> yesterday placed an improvised fence at a piece of land, for which he claims is in his ownership, where the construction of Prijedor town mosque should soon commence. He said he expected he would be able to reach an agreement with the Islamic Community on the construction of facilities on this piece of land. He claims he bought the disputable piece of land from Prijedor Municipal authority six years ago.</p>

## Political developments

<p><b>Tihic dismisses petition on secession referendum in RS</b></p>	<p><b>Dnevni Avaz</b> pg 2 ‘One should not give importance to collection of signatures’, <b>Nezavisne Novine</b>, pg. 4 ‘Tihic: insignificant petition on separation of RS’ <u>not signed</u>, <b>Glas Srpske</b>, pg. 3 ‘Unconstitutional petition’ by Srna, <b>SRNA</b> – The chairman of the BiH Presidency and SDA leader, <b>Sulejman Tihic</b>, believes that a petition which RS citizens are signing in support of a referendum on secession of the RS from BiH is not in accordance with the state Constitution. According to him, <i>“this is obviously a reaction to the latest decision of the High Representative in BiH and is without any significance”</i>. <i>“Possible singings by, for instance, Sarajevo citizens of a petition in favour of the abolition of the RS, would be equally without any importance,”</i> Tihic said.</p>
<p><b>OHR: Referendum on RS secession will not have legal effect</b></p>	<p><b>Herceg Bosna Radio, Oslobođenje</b> pg 7 ‘Referendum has no legal effect’, <b>Dnevni Avaz</b> pg 2 ‘Mono-ethnic referendum will have no legal effect’, <b>Vecernji List</b>, pg 2 ‘Referendum on separation of RS has no legal force’, by F., <b>Slobodna Dalmacija</b>, pg 13 ‘Referendum on separation of RS in impossible’, by F., <b>FENA</b> – The mono-ethnic referendum that was announced in the past several days by organizing signing of the petition in Banja Luka and other towns for secession of RS from BiH is not a good basis for issuing decisions and will not have legal effect, OHR Spokesman <b>Kevin Sullivan</b> told FENA.</p> <p>Commenting on the OHR position on collecting citizens’ signatures for organizing the referendum on secession of RS, Sullivan noted that BiH was an internationally recognized and sovereign state. Collecting of citizens’ signatures for holding the referendum on secession of RS from BiH began Monday, July 12, in Banja Luka in organization of Citizens’ Association “Together to Truth”.</p>

<p><b>DL on referendum on separation of RS from BiH</b></p>	<p><b>Dnevni List</b>, pg 2 'Where is RS going?', by <u>Vedran Vujovic</u> – commenting on the collecting of signatures by 'Together to Truth' Association of Citizens, whose aim is to organize a referendum on separation of the RS from BiH, the author says the initiative reminds him of permanent existence of forces who cannot get over the fact that the RS is within BiH, so they use every opportunity to achieve their goal – separate the RS from BiH. Vujovic continues: <i>"Where can the RS go? Nowhere – trust me! If you do not trust me, ask the NATO Secretary General, <b>Jaap de Hoop Scheffer</b>, and EU High Representative for Common Foreign and Security Policy, <b>Javier Solana</b>, who are visiting Sarajevo today (...) Those who do not love BiH, they can try the permanent emigration, but they cannot take a single piece of our land along, no matter what it's called today!"</i></p>
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**RS President  
Cavic on RS  
secession  
initiative**

**Reporter** pgs 14-17 'This is a society of informers'  
– Responding to press question regarding his view on the initiative of some NGO's for scheduling of referendum, **Dragan Cavic** says: "The scheduling of elections is stipulated by the Constitution. However, referendum is a consequence, I would prefer talking about the cause. I would say increasingly loud demands for referendum is a direct consequence of an impression that RS is not accepted and welcomed in BiH, not even by some part of the international community or Bosniak and Croat politicians. There are increasingly more and more demands for abolishment of RS, through initiatives for the change of Constitution and through threats and qualification that the RS is to be blamed for everything, which is not true from the realistic point of view. Naturally, this has caused a consequence amongst common people that they can no longer hear and watch it. One day, the pressures that are becoming unreasonable, and are destroying dignity, will have an impact upon general state of consciousness of the nation and it would not take much to find some new leaders, who would turn the path in a completely radical method, with unforeseeable consequences for the region and the status of the states in the region. It corresponds with events in the region and the world, from the global point of view. People watch on TV every day in what manner people, where international presence exists, approach international presence. It is extremely colourful, varying from Iraq, Afghanistan, Kosovo and BiH. They must acknowledge that people – by watching everything what is going on nowadays – can "get unleashed" and then the problem can become grand. I am afraid of such situation and I think these demands represent a warning to those, who think that the principle "divide and rule" would be a principle, on basis of which a controlled crisis would be performed. However, this principle might escalate one day and disable control over such a crisis."

<p><b>Oslobodjenje interview with Dodik</b></p>	<p><b>Oslobodjenje</b> pgs 4-5, mentioned on cover 'RS would relief if Karadzic would have been arrested' – In an interview with the daily, SNSD leader <b>Milorad Dodik</b> said that RS Police Director <b>Radomir Njegus</b> had probably promised to the international community representatives he would arrest <b>Radovan Karadzic</b> and that was why he had not been on the list of the recently removed officials. Dodik reiterated that his party would not participate in any government composed of representatives of the three national political parties: SDS, SDA and HDZ.</p>
<p><b>Dnevni Avaz interview with RS Vice- president Osmanovic</b></p>	<p><b>Dnevni Avaz</b> pg 5 'By removals Ashdown did a favour to Cavic' – In an interview with the daily, RS Vice-president <b>Adil Osmanovic</b> said that, by recent removals of RS/SDS officials, High Representative <b>Paddy Ashdown</b> had actually done a big favour to RS President and SDS leader <b>Dragan Cavic</b> because the decisions represented an indirect assistance to SDS to genuinely reform.</p>



SDP's Osmic on  
parliamentary  
majority in RS

**Oslobodjenje** pg 4 'RSNA Speaker to be elected next Tuesday', **FENA** – Chief of the SDP Caucus in the RS National Assembly **Zekerijah Osmic** told a press conference on Wednesday that the RS Assembly Collegium would meet on Thursday to set the date for holding the extraordinary session of the National Assembly for electing the new Entity Parliament Speaker. According to him, the extraordinary session of RS Assembly will most probably be held July 20. *"I think that there will be no major events in sense of the political majority in the National Assembly. The Serb Democratic Party (SDS) together with the Party of Democratic Progress (PDP) will have the newly- verified representatives at the session in order to maintain the parliamentary majority, with or without the Party of Democratic Action (SDA). I believe that the so-called joint caucus (six parties with only one representative respectively) will participate in the process of electing the National Assembly speaker from the Serb people, and that with the representatives of SDS and PDP they will have the necessary majority to elect the speaker"*, said Osmic.

**Dnevni List**, pg 20, 'Election of Stojicic to Kalinic's vacated position is likely', by Vedran Vujovic – carries a report from SDP's press conference held in Sarajevo yesterday, during which the President of SDP Caucus in the RS NA, **Zekerijah Osmic**, was talking about the current political situation in the RS. Osmic noted that the new Speaker of the RS NA would most probably be elected next week, and Osmic reckons that the new Speaker will be **Dusan Stojicic** from the SDS. In that context, Osmic questions the appointment, noting the speculations about Stojicic's role in the Tesanj area during the war. Furthermore, Osmic believes that there will not be removals of the SDA's ministers from the RS Government and that there will not be early elections, arguing that the ruling political parties are again playing the national card before the elections in order to homogenize the electorate.



<p><b>SNS “Dr. Branislav Lolic” on political crisis in RS</b></p>	<p><b>Glas Srpske</b>, pg. 2 ‘Unity is the most important’ by <u>M. Dz.</u> – SNS “Dr. Branislav Lolic” thinks that a political crisis in RS, caused by HR <b>Paddy Ashdown</b>, could be overcome only by an agreement between all Serb political parties and their joint appearance in public. They ask from RS President <b>Dragan Cavic</b> to convene a meeting of all Serb political parties, in order for them to define a joint platform of activities, define national interests and protect national pride and dignity of Serbs in BiH.</p>
<p><b>OHR South Head: Mostar is Ashdown’s priority</b></p>	<p><b>Oslobodjenje</b> pg 5 ‘Mostar is a Ashdown’s priority’, <b>Dnevni Avaz</b> pg 8 ‘Mostar Statute is one of Ashdown’s priorities’, <b>Dnevni List</b> pg 12 ‘SFOR’s activities intensified before opening of Old Bridge’ by <u>D. Kozina</u>, <b>Slobodna Dalmacija</b> pg 15 ‘SFOR’s units around Old Bridge’ by <u>Z. Zekic</u> – During yesterday’s press conference of international organizations seated in Mostar a newly appointed Head of the OHR South, Russian diplomat <b>Anatoly Viktorov</b>, presented himself. On this occasion Viktorov stressed: <i>“During my one-year work in BiH, I have got an insight in the situation in BiH and I believe that I will contribute a lot to further development of this country.”</i></p>
<p><b>Decision on the organization of Mostar City Administration</b></p>	<p><b>Nezavisne Novine</b>, pg. 9 ‘Decision on the organization of the Town Administration was adopted’ by <u>V. C.</u> – The Decision on the organization of the Town Administration was adopted yesterday during a session of Mostar Town Council. The Decision will serve as a base for enacting of a Book of Procedures on internal organization and systematisation of the Town Administration. According to Mayor <b>Hamdija Jahic</b>, the administration will be divided on basic organizational units of five departments and 16 services. <b>Dnevni Avaz</b> pg 13 ‘Several hundreds civil servants to lose their jobs’ also covered the issue.</p>

<p><b>Mayor of Mostar Jahic on downsizing of administration in Mostar</b></p>	<p><b>Dnevni List</b>, pg 14 'Reduction of number of employees in city administration', by <b>NINA</b>, <b>Slobodna Dalmacija</b>, back pg 'Staffing policy brought up for discussion', by <b>E. Karamatic</b> – according to the Mayor of Mostar, <b>Hamdija Jahic</b>, the most important agenda of yesterday's 27<sup>th</sup> session of the City Council of Mostar was the adoption of decision on organization of City administration of Mostar, which is the basis for enactment of rulebook on internal organization and systematisation in the City administration of Mostar. <i>"I think we have created a basis for a modern and functional administration of Mostar in the future period. It will be organized in five basic organizational units, consisting of 5 departments and 16 services that will do their jobs. There will also be regional offices that will be close to the citizenry"</i>, said Mayor Jahic. Mayor Jahic went on to say that there would be a rationalization of number of employees within the City administration, which includes downsizing of the administration. In that context, Mayor Jahic says the number of required employees will not be even close to staring figure of 224, which is, according to Jahic, a minimum number of employees.</p>
<p><b>Citizens of Han Pijesak on the decision of HR Ashdown</b></p>	<p><b>Glas Srpske</b>, pg. 3 'Mistake decided on removal' by <b>N. Z.</b> – 350 citizens of Han Pijesak, among which there are approximately 100 Bosniak returnees, yesterday asked from the High Representative to revoke his decision on removal of Mayor <b>dragan Dobrilovic</b>, explaining it with the fact that the Mayor had done much to improve life standard in this Municipality. <i>'We think this was a misunderstanding and mistake and we expect from you to reconsider your decision and put it out of force'</i>, a letter sent by Han Pijesak citizens reads.</p>

<p><b>Reaction of Zeljko Tadic on HR's decision on removal</b></p>	<p style="text-align: center;"><b>Nezavis</b></p> <p><b>ne Novine</b> pg 7 'I was not member of Telekom Srpske Steering Board' – <b>Zeljko Tadic</b>, one of 59 removed officials, addressed a letter to the public (carried by NN) in which he denies media claims he had been member of the Telekom Srpske Steering Board. Furthermore, he claims his only copula with Telekom is the phone line he is using and for which he pays high bills.</p> <p>Moreover, he adds he is not aware of reasons which made HR <b>Ashdown</b> remove him, stressing he has never been the member of SDS or Telekom Srpske Steering Board. He expresses great surprise over such lack of information, observed with OHR.</p>
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