

OHR BiH Media Round-up, 17/8/2004

RADIO HERCEG-BOSNA (18,00 hrs)	BH TV 1 (19,00 hrs)	FED TV (19,30 hrs)	RT RS (19,30)
Woman killed in minefield	BH Steel contract	LNM purchased BH Steel	Exhumation in Kevljani
LNM bought BH Steel	New gravesite in Podrinje	"White plague" in FBiH	Another arrest in "Forgery"
FBiH statistic data	Exhumation in Kevljani	A child adoption in Travnik	SFOR on incident
More tourists in BiH	Furundzija release	50 th mass grave in Prijedor	Ban of SCG meat import

Oslobodjenje	BH Steel to stimulate economic development in the entire BiH
Dnevni Avaz	Haris Silajdzic: Aluminij should be solved after Zenica
Dnevni List	Federation without Army
Vecernji List	Jambo turned himself in to Police
Slobodna Dalmacija	OSA keeps "papers" on Halilovic locked
Glas Srpske	VAT introduction – More order and cheating
Nezavisne Novine	LNM bought BH Steel for 80 million dollars; Sugar affair in BiH – EC to publish report at the beginning of September; RS Ministry for refugees overstepped the budget and violated Procurement Law
Blic	Possible revenge of terrorists
Vecernje Novosti	Features Serbian related titles

Belgrade's Nacional	Features Serbian related titles
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Economic/social issues

**LNM Holdings
buys majority
stake in BH
Steel**

Herceg Bosna Radio, BHTV, FTV, Oslobođenje cover page 'BH Steel to stimulate economic development in the entire BiH', pgs 4-5 'BH Steel saves Zenica, stimulates BiH economy', **Dnevni Avaz** pg 3 'Direct LNM investment in Zenica of 280 million dollars', mentioned on cover 'The biggest investment in BiH', **Nezavisne Novine**, cover and pg. 3 'LNM bought "BH Steel" for 80 million \$' by A. Mujkic, **FENA** – Multinational company LNM Holdings has become a majority stakeholder in BH Steel on Monday. The London-based company has factories in 13 countries and is the world's second largest steel producer with an annual production of 45m tonnes of steel. A deal under which LNM obtained a 51 per cent stake in BH Steel was signed by the owner of the LNM Holdings NV, **Lakshmi Mittal**, his son **Aditya Mittal**, Federation of BiH Prime Minister **Ahmet Hadzipasic**, a member of the Kuwaiti Investment Agency KIA-KSIC, **Samija el Humaidi** and BH Steel General Director **Seid Kapetanovic**. Some of the guests who were present at the signing of the deal included chairman of the BiH Presidency **Sulejman Tihic**, Federation President **Niko Lozanic**, a senior Kuwaiti delegation and a ZDK (Zenica-Doboj Canton) delegation. *"This company will become the pride of this country with the help of the LNM, the BH Steel management, KIA and the Federation of BiH Government. I am confident that BH Steel's production will begin to be revitalized from today and that it will be raised from 200,000 tonnes a year to 2-2.5m tonnes,"* Lakshmi Mittal, the new majority stakeholder in BH Steel, said on the occasion. LNM Holdings NV will initially inject 80 million dollars into BH Steel and invest around 425m dollars in total. *"The strategic partner is obliged to immediately employ 2.850 workers, and it is expected that launching of integral production in the period of up to three years would create conditions for employment of between 4.000 and 4.500 workers. We believe in the quality of the package of social measures, which was designed in cooperation with the company's Trade Union. Once the integral production has been launched, the Government would sell its shares to KIA-KSIC,"* said FBiH Minister of Energy, Industry, and Mining **Izet Zigic**.

Dnevni List pg 3 'LNM Holdings majority owner of BH Steel from Zenica', mentioned on cover, 'LNM Holdings owner of BH Steel from Zenica' by D. Polovina-Mandic and **Slobodna Dalmacija** pg 5 'LNM majority owner of BH Steel' by I. Miliesic also reported that the British company LNM Holdings has become the majority owner of BH Steel from Zenica last night. The dailies carry that prior to signing of this contract an emergency session of the Federation of BiH Government was held during which the consent for signing of the aforementioned contract was given. In an inset DL carries under headline 'Hadzipasic: Chance for many companies to expand their financial operations' Federation of BiH Prime Minister **Ahmet Hadzipasic** as saying that by signing of the aforementioned contract many companies will get a chance, especially those from the area of metal-working industry.

<p>Party for BiH's Silajdzic believes that after BH Steel the issue of Mostar Aluminum should be solved</p>	<p>Dnevni Avaz cover page 'Now after Zenica Aluminij issue should be resolved', pg 5 'I hope the issue of Aluminij will be raised soon' – Interview with Party for BiH founder Haris Silajdzic, who, according to the daily, managed to convince the Kuwaiti strategic partner (KIA) to invest in BH Steel six years ago when no one believed in profitability of the investment. <i>"Only a recovered economy can push us forward. I hope that after Zenica the issue of Mostar's Aluminij will be raised as well. The issue has been left unresolved for a long time now, and without any explanation, although it is about a firm owned by the state. The international community can do much to help resolution of this issue,"</i> said Silajdzic. According to Silajdzic, the BiH strategic economic goals also include the construction of the highway (5c corridor) and development/exploit of BiH hydro-energetic potentials.</p>
<p>Terzic meets with representatives of Meat Producers' Association</p>	<p>Oslobodjenje pg 4 'Implementation/application of the Law on Customs Tariffs necessary', FENA – BiH Council of Ministers Chair Adnan Terzic on Monday held talks with representatives of the BiH Association of Meat Producers and Processors. Representatives of the Association said that it was necessary to take the appropriate measures in order to ensure start of application of the amendments to the Law on the Customs Tariffs. Terzic confirmed that the Council of Ministers would at its next session issue decisions that will ensure full implementation of the Law.</p> <p>Dnevni Avaz pg 2 'Terzic: I will explain to IMF what is the purpose of the amendments to the Law on Customs Tariffs' also reported on the meeting. Commenting on the implementation of the amendments to the Customs Tariffs Law, Terzic told Dnevni Avaz that the IMF was against the application of these amendments. <i>"I believe that the IMF representatives do not have proper information on what the BiH CoM wanted to achieve with the changes to the Customs Tariffs Law and I will probably meet with them tomorrow (Tuesday) in order for this issue to be resolved,"</i> said Terzic.</p> <p>Nezavisne Novine, pg. 8 'There will be no farmers' protests until the next week' by <u>N. K.</u> also covered the issue.</p>

<p>Protests of BiH farmers still possible</p>	<p>Dnevni List pg 2 'Farmers to protest on Friday?' by <u>E. Mackic</u> – President of the BiH Association of Farmers Ranko Bakic stated that in case that the application of Law on Customs Tariff does not start, the session of the Presidency of this Association will take place tomorrow during which it will be decided on organizing of protests. Bakic added that in case that they decide to organize protests, the protests will take place on Friday. DL says that such decision is the result of the yesterday's meeting between Chairman of the BiH Council of Ministers Adnan Terzic and a few Associations of farmers. Although Bakic did not attend this meeting he judged that nothing concrete was said during this meeting. According to DL, the BiH Association of Meat Producers also announced the possibility of organizing protests in case that the application of Law on Customs Tariff does not start and these protests would be held in front of the OHR's building. According to President of this Association Vladimir Usorac, the BiH CoM and the state Parliament have done everything in order that the application of the Law start, however, they have been limited by the decisions of the International Community.</p> <p>Nezavisne Novine, pg. 8 'There will be no farmers' protests until the next week' by <u>N. K.</u> – Associations of Farmers have postponed protests they have announced until Monday, August 23, because CoM has said the implementation of the Law on Changes and Addenda to the Law on Customs Tariffs will commence. CoM should discuss issues regarding the Law at a session that will be held on Thursday, August 19.</p>
<p>RS radicals request for protection of domestic production</p>	<p>Oslobodjenje pg 8 'To protect domestic production', FENA – The Serb Radical Party (SRS) is dissatisfied with measures of the RS Government and the BiH Council of Ministers for protecting domestic production, especially in the field of agriculture, SRS President Milanko Mihajlica said on Monday. He reminded that the RS Government has so far launched a number of initiatives towards the BiH Council of Ministers, but that they have still not been taken into consideration. <i>"We call on Serb ministers in the BiH Council of Ministers to make a stronger effort on protecting domestic production, which cannot compete with imported goods"</i>, Mihajlica said. He urged the RS Government to start the full implementation of the decision on controlling oil and oil products quality, as well as to state who and why is preventing the implementation of the decision on the transport of oil by rail. <i>"Oil lobbies are clearly preventing the implementation of this decision"</i>, Mihajlica added.</p> <p>Nezavisne Novine, pg. 10 'Malfeasant acts in petroleum trades' by <u>Srna</u>, Glas Srpske, pg. 2 'Suspicion swims through petroleum' by <u>G. D.</u> also reported on the issue.</p>
<p>DL on fuel price</p>	<p>Dnevni List pg 3 'New increase of fuel price', mentioned on cover, 'Fuel price is rising' by <u>A. Beus</u> – According to President of the Herzegovina-Neretva Canton Association of Petroleum Traders Milenko Boskovic we can expect new rise of a fuel price. DL says that the reason for this rise is the fact that a purchasing price of fuel is being increased by 3 pfeninings at our market and this means the fuel price will also rise in retail trade.</p>

<p>Eronet/third GSM licence issue</p>	<p>Dnevni List pg 7 'RAK believes that the Council will reject the appeal' <u>not signed</u> – Reacting to the statement given by President of the Eronet's Steering Board Robert Gavranovic (see yesterday's Cropress summary), Nermina Bahtovic from the RAK's Press Office stated that the RAK's Council cannot pass the decision according to which HT Mostar would be deprived of the third GSM license and according to which the third GSM license would be given to Eronet. She also said that they believe that the RAK's Council will confirm the first-instance decision as a legal one and reject the appeal lodged by Eronet as ungrounded. DL says that this appeal will be discussed at the session scheduled for August 27, 2004 .</p> <p>Dnevni Avaz pg 9 'There is no way Eronet can get the third GSM license in BiH' carries a statement on the issue made by CRA Director Kemal Huseinovic.</p>
<p>On financial problems in FBiH Army and FBiH MoD</p>	<p>Dnevni List front pg 'Federation without Army' and pgs 4 and 5 'Last soldiers left barracks in FBiH' <u>by I. Glibusic</u> – DL says that last conscripts left the barracks in the Federation of BiH yesterday. According to the article, the situation will remain like this by mid September, however, the coming of new conscripts has been conditioned by improving of the situation in the Army, that is, by the revision of the FBiH budget on the ground of which the FBiH Ministry of Defence should get bigger funds. In an inset to the article DL carries under headline 'Army is waiting for Minister's decision' that it has been expected that Departments in charge of logistics and finances with the FBiH MoD submit the report on the current situation in the FBiH MoD and FBiH Army during this week on the ground of which the FBiH Defence Minister Miroslav Nikolic might pass the decision on sending of conscripts to military service.</p>
<p>VL on BiH economy</p>	<p>Vecernji List, pg 2-3, 'Foreign companies and banks make BiH economy', mentioned on cover, by <u>Zdenko Jurilj</u> – the author claims that BiH is the only South-East Europe transition country which does not have control over its monetary policy and foreign investments and which does not have a concept of attracting foreign capital. He adds that foreign capital arrives to BiH in a shy way because of undefined investment policy. <i>"In such a chaotic environment, it is only foreign banks which have managed to fully control BiH financial market with the assistance of powerful political lobbies of the international community"</i>, the author says. VL adds that, according to some data, foreign banks take from BiH over 1.5 billion KMs to their original financial centres abroad. Apart from banks, it is said that foreign companies would soon also control the profitable sectors of telecommunication and power sector thanks to non-functioning of the state. The President of the BiH Foreign Trade Chamber, Petar Milanovic, is quoted as saying that, due to lack of foreign investment policy, foreign companies are left with the possibility to invest in BiH on the grounds of individual assessments.</p>

VL on strategy for resolving of internal debt in FBiH	Vecernji List , pg 2, 'Huge portion of debt to paid in bonds', by <u>Renata Radic</u> – VL says that, if the strategy for resolving of internal debt in FBiH is adopted in autumn as announced, instead of 3.263 billion KM of nominal debts, 828 billion will be paid while the rest will be written off. Out of the amount acknowledged as the debt (828 bill), 318.8 billion will be paid in cash and the rest will be covered in bonds. Safet Redzic , the President of the Association of War Invalids of BiH, says that the state's debt towards this segment of the population is far bigger.
Update to Banja Luka Dairy	Nezavisne Novine , pg. 8 'They will briefly stop producing milk' by <u>P. Klincov</u> – Banja Luka Dairy will not fully stop the production, as it had been announced, but it will stop the production of milk until they receive packing materials from "Subotica Dairy", which is interested in purchasing Banja Luka Dairy.
Introduction of VAT	Glas Srpske , cover page story 'More order and cheating' by D. V. M. – The article reads that the introduction of VAT will mostly affect poor people. Vladislav Djurasovic , a Professor at the Banja Luka Faculty of Economics, thinks VAT would cause increase of prices food products. <i>'There is no Law in our country that has no loopholes. It is not very likely that the Law on VAT would be an exception. VAT will introduce more order, but will also introduce more cheating'</i> , Djurasovic said.
BiH publishers on VAT	Dnevni List pg 8 'Publishers advocate introduction of value added tax on bread and not on books' by <u>D. Polovina-Mandic</u> – President of the Association of BiH Publishers Ibrahim Spahic stated at the press conference yesterday that this Association demands from the BiH Council of Ministers not to adopt a proposal of the Law on Value Added Tax on the ground of which 17 % tax would be introduced on books and they advocate the solution according to which books and publishing should be exempt from taxation. Sarajevo media also covered the issue.

Police/security

**SDP believes
FBiH
Interior
Minister
should
resign from
the post**

Oslobodjenje pg 8 'Let the Minister resign', **Dnevni List** pg 4 'Instead of protecting citizens, Police protects power-wielders', mentioned on cover 'Interior Minister Mevludin Halilovic should resign' by M. Karacic, **Nezavisne Novine**, pg. 10 'Federation of BiH Police Minister should resign' by Fena, **FENA** – The BiH Social-Democratic Party (SDP) called on FBiH Interior Minister **Mevludin Halilovic** to resign because the number of criminal acts has increased significantly during his mandate, and because only a small number of them have been resolved. This request has come following the most recent incident when a 16-year-old boy was stabbed in the centre of Sarajevo. *"This is the latest in a series of incidents which has once again showed that the police are not at the service of citizens, but a small circle of people in power who are exactly the ones preventing the police from doing their job"*, SDP stated. *"Frequent explosions, armed robberies, murders and other forms of crime in BiH gives us no right to feel safe in the streets and our homes"*, SDP stated. SDP stressed that Minister Halilovic's statements describing the security situation as satisfactory cannot protect the citizens from growing violence, but only efficient and successful police can.

<p>FBiH Interior Minister Halilovic says not himself but Police Director Miletic is responsible for police performance</p>	<p>Dnevni Avaz pg 2 'It is clear that Miletic supervises police and he is therefore responsible for their work', mentioned on cover 'Not Minister but Miletic is responsible' – Responding to a Monday's BiH SDP's call for his resignation, FBiH Interior Minister Mevludin Halilovic said that the call/request had come to the wrong address. <i>"It is well-known that Police Administration Director Zlatko Miletic supervises police and he is therefore responsible for the police performance and not the Interior Minister,"</i> said Halilovic.</p>
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Crimes/incidents/investigations

**EC on its
investigation
of sugar
smuggling
affair**

Herceg Bosna Radio, Slobodna Dalmacija pg 3 'EU report on sugar smuggling through BiH at beginning of September' by H and **Vecernji List** pg 10 '2 independent investigations on sugar smuggling in BiH' by H – It has been reported from the seat of the EU Mission in BiH that the EU Office for Struggle against Fraud (OLAF) will complete its report on sugar smuggling through BiH by the end of August or at the beginning of September and then it would be possible to say whether the claims on sugar smuggling through BiH were grounded or not. The dailies also carry that the EU Mission in BiH did not want to comment on speculations about involvement of Sugar Refinery from Osijek in the affair and added that two independent investigations have been underway, the one by OLAF and one by the Office of a BiH State Prosecutor.

Nezavisne Novine, cover 'EC to publish the report at the beginning of September' and pg. 5 'Terzic: I do not expect any sanctions for BiH' by M. Cubro – The European Office for Fight against Corruption (OLAF) will publish results of the investigation on "sugar affair" at the beginning of September, as **Zora Stanic** from the EC Delegation to BiH has confirmed. CoM Chairman **Adnan Terzic**, on the other hand, has stated that the local authority will complete the investigation and undertake necessary measures even before the EC completes its report. *'We have commenced the investigation results of which we expect to be available soon, in order to avoid sanctions of the EC. I am in possession of no indications that sanctions might be imposed to us, since we are the only country from the region that had not waited for warnings of EC but commenced the investigation self-initiatively'*, Terzic stated.

<p>SD on no access to war-time archives</p>	<p>Slobodna Dalmacija, cover page & pg 13, 'OSA keeps "papers" on Halilovic locked', by <u>Zlatko Tulic</u> – wondering if BiH is to face a scandal over hiding of war-time documents requested by the Hague similar to the one in General Blaskic's case, the author reminds that General Sefer Halilovic's lawyers team has not been given access to war-time documents although the deadline for delivery of the requested documentation expired on July 30. SD adds that the situation was similar in the case of Naser Oric, Srebrenica war-time commander. The daily comments that although Almir Dzuvo, OSA Director, has responded to the Hague that he would make all the documentation available, the Hague is not happy with the actual response. Some sources claim that a part of war-time documentation of the then BiH Army HQ represents a big problem, while many bring the disappearance of documents into connection with possible expending of investigation onto BiH Army General Rasim Delic.</p>
<p>Audit Report on the work of RS Ministry for Refugees</p>	<p>Nezavisne Novine, cover 'They overstepped the budget and violated the Procurement Law' and pg. 4 'They were violating the Procurement Law' by <u>P. Klinčov</u> – The article brings the audit report on the work of RS Ministry for Refugees and DPs and reads that the Ministry has overstepped the budget and violated the Procurement Law.</p> <p>The article also brings the inset 'Samardzic: both true and not true' – Jasmin Samardzic, RS Minister for Refugees and DPs, yesterday stated that the report brings many claims that are not true, but also says that the report included certain omissions of the Ministry that are true.</p>

<p>Update to incident near Banja Luka</p>	<p>Nezavisne Novine, pg. 2 'SFOR soldier did not start the fight' by <u>V. I.</u> – Steve Hawken, the Spokesperson of SFOR base in Ramici, has stated that the SFOR soldier, who got in a fight with Simo Mijic in a coffee bar near Banja Luka on Saturday, did not initiate the fight. He emphasised the SFOR Military Police is carrying out an intensive investigation on this case.</p> <p>Glas Srpske, pg. 10 'There is a person to sue the Colonel' by <u>D. Tomic</u>, EuroBlic, pg. RS2 'Mijic: he hit me without cause' by <u>N. B.</u> – also report on SFOR denial and read that Simo Mijic has announced he would sue the soldier who has attacked him.</p> <p>Vecernji List pg 3 'The one who was who was beaten up is going to sue SFOR' by <u>B. Stevandic</u> also covered the issue.</p>
<p>Update to "Forgery" action</p>	<p>Nezavisne Novine, pg. 3 'Puger went down over forgeries' by <u>D. R.</u> – Banja Luka Police yesterday arrested Dragan Kremenovic aka Puger (34) over forging documents for registration of vehicles. It is believed Kremenovic is one of organisers of forgery chain, and he was arrested in frame of the "Forgery" action.</p>
<p>Italy to extradite Mehanovic</p>	<p>Nezavisne Novine, pg. 3 'Italy will extradite Haris Mehanovic to BiH' by <u>A. Durmo</u> – Italy should soon extradite Haris Mehanovic, the second suspect of organising of and acting in the first crime organisation in BiH, to the BiH Prosecutor's Office. The Prosecutor's Office believes Mehanovic was a close associate of Ferid Okic, who was arrested on May 25 in Sarajevo . According to information of the Prosecutor's Office, Okic, Mehanovic and others have been smuggling weapons and drugs from Istanbul in 2003 and were trafficking in people.</p>

<p>Update to Stolac incident</p>	<p>Nezavisne Novine, pg. 4 'The police are responsible for the incident' <u>by V. Coric</u> – Upon the removal of Croatian flags from the centre of Stolac, Zoran Turkovic, a member of SDA and President of Stolac Municipal Council, has stated he thinks the act of the Forum of Youth was a reasonable act.</p> <p>Zeljko Obradovic, the Municipal Mayor, thinks this was a politically aimed act of parties that are not choosing means to get to election victory.</p> <p>Srecko Bosnjak, the Spokesperson of H-N County Ministry of Interior, has agreed that the police have made an omission on Friday: <i>'Stolac Bosniaks have organized a gathering without prior notice, therefore the policemen were obliged to scatter the group'</i>.</p>
<p>USA Today on Al-Q'aida in BiH</p>	<p>Nezavisne Novine, pg. 5 'Bosnians are scouting for Al-Q'aida' <u>by B. D.</u> – US intelligence officers, as according to an article published yesterday by USA Today, believe that Al-Q'aida is using operatives from Bosnia, Chechnya and Western Europe to scout possible targets at the territory of USA.</p>

Political developments

<p>BiH Deputy Defence Minister Marina Pendes: Mission to Iraq would cost five million KM</p>	<p>Oslobodjenje pg 7, mentioned on cover 'Mission to Iraq would cost five million KM' – In an interview with Oslobodjenje, BiH Deputy Defence Minister Marina Pendes said that, with financial and logistic assistance of friendly countries, an eventual BiH military mission in Iraq would cost up to five million KM. Pendes also said that the BiH Defence Ministry was not stuffed up to 65 percent although this was a pre-condition for accession to Partnership for Peace that should have been fulfilled before NATO Summit in Istanbul held in June this year.</p>
<p>SNSD's Radojicic: SNSD stronger than SDS</p>	<p>Oslobodjenje pg 8 'SNSD stronger than SDS', Dnevni Avaz pg 11, FENA – The RS Alliance of Independent Social-Democrats (SNSD) thinks that the upcoming local elections might for the first time show that the SNSD is stronger than the Serb Democratic Party (SDS) and that it has become the strongest political party in the RS. <i>"Various indicators and polls show that SNSD has a fairly good overall rating and that it could be individually stronger than SDS at the elections and become the strongest party in the RS"</i>, SNSD General Secretary Igor Radojicic told FENA. He stressed that SNSD is satisfied with the start of the campaign and that all activities are going ahead as planned.</p>

<p>DL: 'Liberalization of visa regime for BiH citizens soon'</p>	<p>Dnevni List pg 9 'Liberalization of visa regime for BiH citizens soon' by <u>T. Dragic</u> – By the end of this month the BiH Council of Ministers should get a letter from the EC with obligations and prerequisites that BiH should meet in order to get abolishment of a visa regime for BiH citizens. According to Bojan Filipovic from the BiH CoM's Press Office, this was agreed at the meeting that the delegation of the BiH CoM had with the EC representatives in July. Asked as to when this might happen, Filipovic says that none dares to say the exact date at this moment, however, the achieving of this goal does not seem that far as it seemed 3 months ago when the EC did not want to talk at all about liberalization of the visa regime for BiH citizens.</p>
<p>Statement of Day: Professor B. Zepic</p>	<p>Dnevni List pg 2 carries in its 'Statement of Day' MostarUniversity professor Bozo Zepic as saying: <i>"There is no brain that would come up with an ideal solution for BiH."</i></p>

<p>Deputy Serbian Minister for Diaspora visited BiH</p>	<p>Nezavisne Novine, pg. 4 'RS is more multiethnic than the Federation of BiH' by <u>Agencies</u> – Deputy Minister for Diaspora of Serbia Aleksandar Cotric has paid an official visit to BiH after which he has assessed that RS is more multiethnic than the Federation of BiH and he emphasised that this is the reason why Bosniaks are avoiding census that would reject claims on alleged ethnic cleansing in RS. He also said that the return of Serb population to the Federation of BiH is very slow due to <i>'a perfidious pressure of the authority and neighbours, as well as due to unemployment they have to face after they return'</i>.</p>
<p>VL apology to readers and OHR</p>	<p>Vecernji List pg 4 'Apology to readers' <u>not signed</u> carries a VL apology to their readers and the OHR because of the wrong information published in this daily yesterday under headline 'Ashdown is passing final decision on Mostar'. The apology says that this happened by mistake and due to technical reasons.</p>