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

RADIO HERCEG-	<b>BH TV 1</b> (19,00	FED TV (19,30	<b>RT RS</b> (19,30)
<b>BOSNA</b> (18,00	hrs)	hrs)	
hrs)			
Woman killed in	BH Steel contract	LNM purchased BH	Exhumation in
minefield		Steel	Kevljani
LNM bought BH	New gravesite in	"White plague"	Another arrest
Steel	Podrinje	in FBiH	in "Forgery"
FBiH statistic	Exhumation in	A child adoption	SFOR on incident
data	Kevljani	in Travnik	
More tourists in	Furundzija	50 <sup>th</sup> mass grave	Ban of SCG meat
ВіН	release	in Prijedor	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	OSA keeps "papers" on Halilovic locked
Dalmacija	
Glas Srpske	VAT introduction — More order and cheating
Nezavisne	LNM bought BH Steel for 80 million dollars; Sugar affair
Novine	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	Features Serbian related titles
Novosti	

#### Economic/social issues

LNM Holdings buys majority stake in BH Steel Herceg Bosna Radio, BHTV, FTV, Oslobodjenje 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 <u>D. Polovina-Mandic</u> and Slobodna Dalmacija pg 5 'LNM majority owner of BH Steel' <u>by I. Milesic</u> 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.

Party for BiH's	Dnevni Avaz cover page 'Now after Zenica Aluminij issue should be
	resolved', pg 5 'I hope the issue of Aluminij will be raised soon' -
believes that	Interview with Party for BiH founder Haris Silajdzic, who, according
after BH Steel	to the daily, managed to convince the Kuwaiti strategic partner
the issue of	(KIA) to invest in BH Steel six years ago when no one believed in
Mostar Aluminum	profitability of the investment. "Only a recovered economy can push
should be solved	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," 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.
Terzic meets	<b>Oslobodjenje</b> pg 4 'Implementation/application of the Law on Customs
with	Tariffs necessary', FENA – BiH Council of Ministers Chair Adnan
representatives	Terzic on Monday held talks with representatives of the BiH
of Meat	Association of Meat Producers and Processors. Representatives of the
Producers'	Association said that it was necessary to take the appropriate
Association	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.
	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 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," said Terzic.
	Nezavisne Novine, pg. 8 'There will be no farmers' protests until
	the next week' by N. K. also covered the issue.

Protests of BiH farmers still possible	Dnevni List pg 2 'Farmers to protest on Friday? by E. Mackic – 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 meting 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 International Community.Nezavisne Novine, pg. 8 'There will be no farmers' protests until the next week' by N. K. – 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.
RS radicals request for protection of domestic production	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. "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", 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. "Oil lobbies are clearly preventing the implementation of this decision", Mihajlica added. Nezavisne Novine, pg. 10 'Malfeasant acts in petroleum trades' by Srna, Glas Srpske, pg. 2 'Suspicion swims through petroleum' by G. D. also reported on the issue.
DL on fuel price	

Eronet/third GSM licence issue	<pre>Dnevni List pg 7 'RAK believes that the Council will reject the appeal' not signed - 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 forAugust 27, 2004 . 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.</pre>
On financial problems in FBiH Army and FBiH MoD	<pre>Dnevni List front pg 'Federation without Army' and pgs 4 and 5 'Last soldiers left barracks in FBiH' by I. Glibusic - 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 Defence Minister Miroslav Nikolic might pass the decision on sending of conscripts to military service.</pre>
VL on BiH economy	<pre>Vecernji List, pg 2-3, 'Foreign companies and banks make BiH economy', mentioned on cover, by Zdenko Jurilj 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. "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", 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.</pre>

VL on strategy for resolving of internal debt in FBiH	<pre>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.</pre>
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	<pre>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. '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', Djurasovic said.</pre>
BiH publishers on VAT	Dnevni List pg 8 'Publishers advocate introduction of value added tax on bread and not on books' <u>by 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.

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

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'

<u>by M. Cubro</u> – 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

SD on no	Slebedra Dalmacija cover page 6 pg 12 (OSA
	<b>Slobodna Dalmacija</b> , cover page & pg 13, 'OSA keeps "papers" on Halilovic locked', by <u>Zlatko</u>
access to war-time	
archives	<u>Tulic</u> – wondering if BiH is to face a scandal
archives	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 situationwas similar in the case of Naser
	<b>Oric</b> , Srebrenica war-time commander. The daily
	comments that although <b>Almir Dzuvo</b> , 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 <b>Rasim Delic</b> .
Audit Report	Nezavisne Novine, cover 'They overstepped the
on the work	budget and violated the Procurement Law' and
of RS	pg. 4 'They were violating the Procurement Law'
Ministry for	by P. Klincov – The article brings the audit
Refugees	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.
	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.

Update to incident near Banja Luka	<pre>Nezavisne Novine, pg. 2 'SFOR soldier did not start the fight' by V. I 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. Glas Srpske, pg. 10 'There is a person to sue the Colonel' by D. Tomic, EuroBlic, pg. RS2 'Mijic: he hit me without cause' by N. B also report on SFOR denial and read that Simo Mijic has announced he would sue the soldier who has attacked him. Vecernji List pg 3 'The one who was who was beaten up is going to sue SFOR' by B. Stevandic also covered the issue.</pre>
Update to "Forgery" action	Nezavisne Novine, pg. 3 'Puger went down over forgeries' <u>by 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.
Italy to extradite Mehanovic	Nezavisne Novine, pg. 3 'Italy will extradite Haris Mehanovic to BiH' <u>by 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.

Undete to	Norregione Neurine and (The police and
Update to	Nezavisne Novine, pg. 4 'The police are
Stolac	responsible for the incident' <u>by V. Coric</u> –
incident	Upon the removal of Croatian flags from the
	centre of Stolac, <b>Zoran Turkovic</b> , 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.
	Zeljko Obradovic, the Municipal Mayor, thinks
	this was a politically aimed act of parties
	that are not choosing means to get to election
	victory.
	Srecko Bosnjak, the Spokesperson of H-N County
	Ministry of Interior, has agreed that the
	police have made an omission on Friday: 'Stolac
	Bosniaks have organized a gathering without
	prior notice, therefore the policemen were
	obliged to scatter the group'.
USA Today on	Nezavisne Novine, pg. 5 'Bosnians are scouting
Al-Q'aida in	for Al-Q'aida' <u>by B. D.</u> – US intelligence
BiH	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.

# Political developments

BiH Deputy	<b>Oslobodjenje</b> pg 7, mentioned on cover
Defence	'Mission to Iraq would cost five million
Minister Marina	<pre>KM' - In an interview with Oslobodjenje,</pre>
Pendes:	BiH Deputy Defence Minister Marina Pendes
Mission to	said that, with financial and logistic
Iraq would	assistance of friendly countries, an
cost five	eventual BiH military mission in Iraq
million KM	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.
SNSD's	<b>Oslobodjenje</b> pg 8 'SNSD stronger than
Radojicic: SNSD	SDS', <b>Dnevni Avaz</b> pg 11, <b>FENA</b> – The RS
stronger than	Alliance of Independent Social-Democrats
SDS	(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. "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", SNSD General
	Secretary Igor Radojicic told FENA. He
	stressed that SNSD is satisfied with the
	start of the campaign and that all
	Secretary Igor Radojicic told FENA. He

DL:	Dnevni List pg 9 'Liberalization of visa
'Liberalization	regime for BiH citizens soon' <u>by T. Dragic</u>
of visa regime	– By the end of this month the BiH Council
for BiH	of Ministers should get a letter from the
citizens soon'	EC with obligations and prerequisites that
	BiH should meet in order to get
	abolishment of a visa regime for BiH
	citizens. According to <mark>Bojan Filipovic</mark>
	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.
Statement of	Dnevni List pg 2 carries in its 'Statement
Day: Professor	of Day' MostarUniversity professor Bozo
B. Zepic	Zepic as saying: "There is no brain that
	would come up with an ideal solution for
	BiH."

Deputy Serbian	Nezavisne Novine, pg. 4 'RS is more
Minister for	multiethnic than the Federation of BiH' by
Diaspora	<u>Agencies</u> – Deputy Minister for Diaspora of
visited BiH	Serbia Aleksandar Cotric has paid an
VISILEU DIN	
	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
	'a perfidious pressure of the authority
	and neighbours, as well as due to
	unemployment they have to face after they
	return'.
VL apology to	Vecernji List pg 4 'Apology to readers'
readers and OHR	not signed 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.