

OHR BiH Media Round-up, 1/8/2003

CROAT RADIO HERCEG-BOSNA (18,00 hrs)	BH TV 1 (19,00 hrs)	FED TV (19,30 hrs)	RT RS (19,30)
Salzburg meeting	Verdict for Milomir Stakic	Sentence to Stakic	Stakic's sentence
Covic – Ashdown	Dodik before ICTY	Changes of RS symbols	Dodik in The Hague
Fires in Hvar and Brac	Terzic in Salzburg	Car accident near Bihac	Indirect taxation
	UN Mission to Liberia	Covic with German Amb.	SBS's operation

Oslobodjenje	Milomir Stakic sentenced to life in prison
Dnevni Avaz	Serbian Premir Zivkovic: I wish as well that Ratko Mladic be in The Hague
Dnevni List	"Southeast Europe joins European integration"; "Talks Covic-Ashdown: Urgently establish Indirect Taxing Agency"; Jadranko Lovric: 'Croat Municipalities pay Komos company 1 million KM per year'; 'Romeo Zelenika: Ashdown's plans on capable officials collapse like house of cards"
Vecernji List	"Paddy Ashdown is explaining for VL exclusively: OHR should reduce influence in BiH"; "Punishment of World Bank to Mostar"
Slobodna Dalmacija	"Bisevo burnt down"; "4 fires have burnt down big part of sunny island"
Glas Srpske	"Glas Srpske" celebrated its 60 th anniversary: Voice of people and time

Nezavisne Novine	The Hague Tribunal passed verdict against former President of Prijedor Assembly, for crimes against humanity: Milomir Stakic sentenced to life imprisonment; Negotiations at OHR completed: Seat of Indirect Taxation Administration will be in Banjaluka; Banjaluka: Mikerevic announces purge at Republika Srpska Customs Administration
Vecernje Novosti	Life imprisonment to Stakic
Blic	Trade Union threatens with blocking Government, World Bank, IMF; Life imprisonment to Milomir Stakic; July's pensions increase for 7.19%; Milorad Dodik: formation of camps could have been prevented
Ljiljan	How did Miletic use a false photograph to accuse Radoncic of war crimes; Seada Palavric: Paravac is repeating Karadzic's words
Slobodna Bosna	State of the nation; RS faces social revolution; Criminals from SDA, HDZ sharing Federation in a brotherly way
BH Dani	Thompson (controversial Croat pop singer) in seizing Bosnia

War crimes

<p>Stakic sentenced to life in prison</p>	<p>BHTV FTV, RTRS, Oslobodjenje front page, Vecernje Novosti pg. 17, Blic pg. 18, Nezavisne Novine, cover and pg. 3, 'Milomir Stakic sentenced to life imprisonment'; Glas Srpske, pg. 2, 'Milomir Stakic sentenced to life imprisonment', Dnevni Avaz pg. 2, Dnevni List page 5, <u>not signed</u>, "Life prison to Miomir Stakic" – ICTY passed judgment of a life sentence in the case of Milomir Stakic, former president of Prijedor crisis HQ, accused of war crimes committee in Prijedor region in 1992. This was the first life sentence verdict made by the Tribunal. Stakic was found guilty for war crimes against humanity, murder, breaching law and customs of the war and expulsion. Court estimated that Stakic had an influence over forming Prijedor concentration camps, where thousands of Bosniaks and Croats were kept in inhumane conditions. Judge Wolfgang Schomburg said that inmates were tortured, while hundreds of them were killed in the period from May to August 1992. In addition, Stakic was held responsible for RS Army attacks on mostly Bosniak settlements in Prijedor area. Schomburg said that over 1500 persons were killed in those actions, while over 20.000 were forced to exodus. Court concluded that Stakic played important role in ethnic cleansing of the region. Stakic was not found guilty for the genocide. Defence has right to appeal with ICTY Appeal Council. Life sentence is the maximum punishment that can be verdict by ICTY.</p>
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**Dodik starts
testifying
in trial of
Brdjanin**

Croat Radio Herceg Bosna, BHTV, FTV, RTRS, Blic pg. 6 'Forming of camps could have been prevented'; Vecernje Novosti pg. 17. 'Strong local individuals', Glas Srpske, pg. 2, 'Milorad Dodik testified'; Nezavisne Novine, pg. 3, 'Authority was in the hands of individuals', Dnevni Avaz pg. 4 – Former RS Prime Minister Milorad Dodik appeared before the ICTY on Thursday, as the witness in the trial of Radoslav Brdjanin, former president of crisis HQ of so-called Autonomous Region Krajina. Dodik said that community of Krajina municipality was established in fall 1991, as the reaction to the happenings in Croatia. Commenting on Brdjanin's role in crisis HQ in 1992, Dodik said: 'I acknowledge that as the president he had a right to lead that HQ and that he presented it in the public. I can say my impression... Mr. Brdjanin did appear in the public, but the real power in regard to decision making in this body was with some other people.' Asked whether HQ authorities could prevent forming concentration camps, Dodik answered: 'Formally, institutions of the region had authority over lower local communities and bodies. From that point of view, it is logical that they could have made impact on the decisions by local communities. But, what I want to say is the fact that in many municipalities there were strong local people who in certain moments and activities had absolute independence.' Dodik will take witness stand in the trial again on Friday.

<p>RS Government orders funds for Srebrenica memorial centre to be paid</p>	<p>BHTV, FTV, RTRS, Oslobođenje pg. 4 'Two million KM for Potocari', Dnevni Avaz pg. 3 – The RS Government has tasked the Finance Ministry with paying two million KM to the Srebrenica-Potocari Foundation by September 5 in line with the BiH Human Rights Chamber decision. The Finance Ministry is tasked to issue guarantees for successive payments in line with the decision. Recalling that the deadline for submitting the final report on Srebrenica was September 7, the head of the government public relations bureau, Cvijeta Kovacevic, has stressed: "The Government has also asked the RS Defence Ministry, the RS Interior Ministry and the OSCE to do everything necessary to collect information and to observe the conclusions of the Human Rights Chamber by September 1."</p>
<p>Serbian Premier on Mladic</p>	<p>Dnevni Avaz front page, pg. 5 'I would like as well that Ratko Mladic be in The Hague' – In an exclusive interview for Dnevni Avaz, Serbian Premier Zoran Zivkovic said he fully understood wish of the BiH citizens and authorities that Ratko Mladic is apprehended and extradited to The Hague and that it was his personal wish as well. Vecernje Novosti pg. 6 – Shortly upon his arrival from the US, Serbian Prime Minister Zoran Zivkovic held a press conference at Belgrade's airport. Among other things, he spoke about Ratko Mladic. Zivkovic said that chances that Mladic was hiding in Serbia were very slim, adding the international public should be convinced that was the case.</p>

<p>Crni Vrh mass grave</p>	<p>Nezavisne Novine, pg. 9, 'Tens of human remains exhumed' – Murat Hurtic, President of the Tuzla Commission for search after missing persons, stated that the members of the expert team have so far exhumed tens of human remains from the mass grave at Crni Vrh (Black Peak) near Zvornik. The Expert team and the representatives of the ICTY and ICMP yesterday marked the edges of the mass grave, which is 35 metres long, approximately 4 to 5 metres wide and most likely of 4 metres depth. Hurtic added that the exhumation of bodies at Crni Vrh will last around one month.</p>
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<p>Political developments</p>

<p>Terzic in Salzburg</p>	<p>Croat Radio Herceg Bosna, BHTV, FTV, Oslobodjenje pg. 5 'Adnan Terzic seeks for an increased EU assistance', Dnevni Avaz pg. 3 'Accession to EU would resolve all the Balkan problems' – On Thursday at the meeting of the South-East European countries' prime ministers in Salzburg, Chairman of the Council of Minister Adnan Terzic said that BiH priority was the implementation of necessary reforms, with the aim of signing the Stabilization and Association Agreement with the EU. He stressed that for that purpose there was a need for reform of the justice and legislative systems to be fully harmonized with the European standards. Addressing at the gathering, Terzic said that BiH needed additional EU assistance, especially in regard to reconstruction of the infrastructure. Discussions also included strengthening of cooperation and bilateral relations. In telephone interview with BHTV 1, Terzic stressed the need for: 'Economic connection which would lead towards creation of single market, using signed agreements on free trade of almost all countries from this region. Than, there is a single market of electrical power, as continuance of signed memorandum in Athens and transition to single gas market.'</p> <p>Vecernji List (page 10, <u>by S.H.</u>, "Stabile neighborhood interest of Republic of Croatia"), Vjesnik (front and page 2, <u>by Vesna Fabris Peruncic</u>, "Racan: Cooperation in region is important as free orientation and not imposed task") and Dnevni List (front and page 3, <u>not signed</u>, "Southeast Europe joins European integration" and page 17, "Racan: Cooperation in region is important as free orientation and not imposed task") also reported on the meeting.</p>
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<p>Covic meets with Ashdown</p>	<p>Croat Radio Herceg Bosna, Dnevni Avaz pg. 2 'Covic and Ashdown discussed Mostar unification', Oslobođenje pg. 4 'Conference on investment in Mostar', Dnevni List page 3, <u>not signed</u>, "Establish Indirect Taxing Agency urgently"</p> <p>– On Thursday, BiH Presidency Chairman Dragan Covic held talks with the High Representative, Paddy Ashdown, on the process of uniting the City of Mostar, functioning of authorities and establishing the Indirect Taxation Authority. Talks also focused on implementation of economic reform in BiH, where Chairman Covic stressed the importance of holding the international conference on possibilities of investing in BiH, which will take place February 26 and 27 2004 in Mostar, the BiH Presidency said in a press release.</p>
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**Bosniak
representatives in
the RS Council of
Peoples ask for
changes in RS' laws,
insignia**

BHTV, FTV, RTRS, Blic pg. 7 'Disputable coat of arms, anthem and seal'; Vecernje Novosti pg. 8 'They are offended by symbols', Glas Srpske, pg. 3, 'Law needs to be changed'; Nezavisne Novine, pg. 4, 'Initiative for replacement of Republika Srpska insignia forwarded to Parliament and House of People's', Dnevni Avaz pg. 8

– The Bosniak parliamentary floor group in the RS Council of Peoples on Thursday officially asked the executive and legislative authorities in the RS for a change in the law on the flag, coat of arms and anthem, the law on the seal and the law on the territorial organization and local self-rule of the RS. The chairman of the parliamentary floor group, Ramiz Salkic, said that the initiative for the changes in the laws "which are offensive to the national interest of Bosniaks" would be sent to the RS National Assembly and the RS Government, and to the Bosniak MPs from the SDP (BiH Social Democratic Party), the SDA and the Party for BiH. "The national interests of Bosniaks are violated because the RS' seal and coat of arms include four ocila (four C-shaped firesteels, also used on the flag of the Serbian Orthodox Church)," Salkic said at a news conference. According to him, the law on territorial organization should be changed following numerous requests by Bosniak returnees who are demanding a return of pre-war street names and place names in the RS. Salkic said that the demands for the harmonization of the laws with the decision on the constitutive status of three nations would not stop at this, adding that there is no reference to Bosniaks "in the name of the RS" either, which is why they will ask for its change as well. All the laws passed in the RS between 1992 and 1995 will be closely examined, too, he added. "I believe that the initiative will be endorsed sooner or later, and it is better for the RS if it happens sooner," Salkic said. If the attempt to change the three laws at the National Assembly fails, Salkic said that the Constitutional Court of BiH would be asked to rule on the matter.

Dnevni Avaz pg. 3 'Symbols of the crime' Commentary of the Day by Almina Pilav – "Rejection of an initiative for change of the RS symbols would be a definitive confirmation that there is no equality in that entity," wrote Pilav.

<p>WB might remove Mostar from the Solid Waste Management project</p>	<p>Croat Radio Herceg Bosna, FTV, Oslobođenje pg. 3 'Mostar without assistance', Dnevni list p 15, "Mayor Jahić's proposal economically and financially unsustainable", <u>not signed</u>, Vecernji list front page "World Bank penalises Mostar" and p 2 "World Bank sanctions behaviour of Mostar authorities", by <u>E.Me</u> – World Bank considers possibility of removal of Mostar from the Solid Waste Management project. Mostar administration failed to establish a single public utility company, which would run the Ubarak waste depot on behalf of all the Mostar citizens. WB could not accept Mayor Hamdija Jahić's project proposal since it was economically and financially unsustainable.</p>
<p>Jadranko Lovric, HDZ representative in Mostar City Council, on Public Utility Company</p>	<p>Jadranko Lovric, the representative of the HDZ caucus in Mostar City Council, explains in Dnevni list (front & p 15, "Croat-majority Municipalities pay 1 million KM to "Komos" a year", by <u>V. Leto & V. Soldo</u>) that he was simply forced to invoke the vital Croat national interest at the last Council's session because of irregularities in establishment of the joint public utility company in Mostar. "Whereas Croat-majority Municipalities transferred onto the City both the operations and rights, Bosniak-majority ones transferred only the operations and 'Komos" company has been favoured. Milan Jovicic, Mostar City Council Vice-president, prepared the Agenda for the session without the consent of any of the Croat councilors", Lovric says. He also refers to the letter the Head of OHR (South), Ambassador Jean-Pierre Bercot, has sent to the councilors in which he expresses concern over the decision that was made. Another issue raised at the City Council session was how "Komos" Public Company was privatised. Lovric adds that "Komos" started operating positively only after it had started collecting garbage from the western part of the town at high cost, so the company has money it does not have to pay off while, when it comes to taking loan, it would have to pay it back. He concludes by expressing hope that the councilors would again sit with the WB and European diplomacy and get a chance to resolve the burning issue of the city.</p>

Mostar Statute

FTV, Dnevni Avaz pg. 2 'It was proposed that the city is established as a single unit of local self-rule' – Discussion on a new Statute for Mostar has started at 6 pm on Thursday. Chances for any progress in reaching agreement are very slim since there are no Bosniaks at the meeting. HDZ and independent members of the Working Group proposed one municipality with 3 election counties, while SDA originally insisted on 6 municipalities, but later on proposed 3 municipalities. However, that proposal was not in compliance with 8 principles set out by the High Representatives set, said Josip Merdzo. Member of the Working Group Krpo proposed all side should have equal number of representatives and city to be organized as Amsterdam. High Representative Ashdown is due to visit Mostar next week, but nobody wants to comment OHR's reaction on current situation. Chairman of BiH Presidency Čović and OHR held consultations on this issue.

<p>CRO press on Mostar restructuring</p>	<p>Vecernji list editorial (p 2, "Games about Mostar and BiH's road to Europe", by <u>Ilko Barbaric</u>), referring to the High Representative's statement that possible failure of Mostar Commission would cause sadness and not anger, while the Head of OHR (South), Jean-Pierre Bercot, has stated he is angry and disappointment over the lack of positive improvement in the unification of Mostar, reads that such undiplomatic expressions of emotions by the leading IC people show that the IC does not hide it is losing temper and that the IC has no real formula to solve problems in the creation of which it was also involved. The commentary says masters of obstructions, CD Coalition, takes advantages of OHR's indifference towards Mostar adding the HR is right when he says the failure of the Commission, made of Mostarians, would not only be a failure of Mostarians but of BiH on its way to Europe."He would be even more right if he would say it would mean the end of his mandate and total collapse of policy led in colonialist-Dayton manner", the editorial concludes. In a separate article, VL (p 2, "Ashdown has a recipe for "solution" to Mostar, by <u>Z.K.</u>) claims the High Representative will pass decision on the new Statute of Mostar, which would lay foundations for abolishment of parallelisms. The author says the solution for Mostar which determines election process and authority practicing is identical to the one on higher levels in the Canton of in Federation of BiH (FBiH) and reflects the meaning of constitutional changes on constituency. Slobodna Dalmacija (p 17, "Mostar without compromise", by <u>Zoran Zekic</u>) comments that, judging by the developments in the Commission's work, it is obvious one could not move from the standstill without the IC and the OHR and wonders if the Commission members will be paid 5 000 KM each for their "work". Dnevni list (p 14, "Djulich: The Commission served as a cover for imposing solution", by S. Bjelica) reports that, at yesterday's press conference, SDP Mostar member Sead Djulich expressed bitterness over the Commission's work adding it had the mandate to draft the Statute of Mostar and not the re-organisation of the city. "Without political agreement, one cannot do a technical job requiring expert opinion", Djulich said.</p>
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<p>VL: Interview with High Representative Paddy Ashdown on Mostar</p>	<p>Vecernji List (front page, "OHR should reduce influence in BiH" and page 7, "On half way from negotiations for Aluminij workers", by Dejan Jazvic) carries an interview with High Representative Paddy Ashdown. The HR states the example of Mostar and referring to the Commission that is to draft a new Statute of Mostar he says that for the first time we had the Commission made of domestic representatives and Europe believed that this was the true opportunity for BiH to make something on its way towards Europe. The HR added that having in mind all these facts the results of the Mostar Commission's work are disappointing and damaging for BiH approaching Europe and citizens of Mostar will suffer the most. The HR is quoted as saying: "Political parties exactly were the ones that were stopping individuals, that is, the Mostar Commission's members, to do something in order to achieve a success. Everybody knows which are these parties and there is no need that I name them." Asked as to what he will do regarding this issue, the HR says that during the summer break he will think about this issue and then he will take necessary actions to secure that Mostar citizens get the authority they deserve. Asked as to when Mostar citizens can expect to start living in a normal city with the unified administration the HR says that the Mostar issue has to be resolved. Ashdown added that having in mind the fact that local elections in BiH have been announced for October next year and in order to make proper preparations for the elections appropriate institutions have to exist in Mostar by the end of this year.</p>
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<p>NN editorial on Mostar and OHR</p>	<p>Nezavisne Novine editorial by <u>Josip Blazevic</u>, pg. 7, 'OHR and Mostar people' – In the article, the author is critical of the failure of Mostar authorities to prepare the Statute on the City of Mostar. He explains that: "The stultified Mostar public cannot acknowledge that owing to the failure of reaching consensus, regarding the future organisation of the City, the vital existential interests of the people will be jeopardised. The consequences of the false formulation of matter have been extremely bad." He concludes the article by saying that: "Judging from current status of matters, it may be expected that HiRep will pass a decision on Mostar at the end. It turns out that OHR takes care of quality of human life and health of Bosnians and Herzegovinians, instead of just supervising the full implementation of the Dayton Peace Agreement."</p>
<p>Defence Reform Commission with Kalinic and Sakan</p>	<p>Glas Srpske, pg. 2, 'Constitution writes solutions' – The RS Parliament Speaker, Dragan Kalinic, and President of Republika Srpska Parliament Commission for review of defence and internal affairs bodies, Velimir Sakan, on Thursday in Sarajevo met with Jamec Locher, Chairperson of Defence Reform Commission. The participants of the meeting agreed that the defence reform is of essential importance for BiH and Republika Srpska and the Federation of Bosnia and Herzegovina. Republika Srpska officials pointed at the need to see the solutions set within the Constitutions of BiH and Republika Srpska.</p>

<p>R. Zelenika on appointment of civil servants</p>	<p>Dnevni List (front page, “Ashdown’s plans on capable servants collapse as house of cards” and page 9, “Zelenika: Election of civil servants according to eligibility continues”) carries that representative of HDZ-HNZ-CCD Coalition in the Herzegovina-Neretva Cantonal Assembly Romeo Zelenika who says that he is embittered over the way in which civil servants are being elected. In his opinion they are not being elected according to their capability but their eligibility. Zelenika stated: “Paddy Ashdown’s law on civil servants’ appointments just like his claims that young people will get their chance in this country proved to be unrealizable through appointments of civil servants.” As an example he states election of a Secretary in the BiH Ministry of Traffic and Communications for which Zelenika also applied. He says that the whole procedure was farce since it was decided at the very beginning that Nikola Sego will be appointed to this position.</p>
<p>Ljiljan interview with SDA’s Seada Palavric</p>	<p>Ljiljan pgs. 18-22 ‘Borislav Paravac threatens like once did Radovan Karadzic’ – Interview with the SDA Vice-president Seada Palavric. “The RS representatives are still having in mind the state structure such was created by Radovan Karadzic. They believe it should be preserved as a separate state. And the representatives of the international community have no strength to tell them that RS is not a state nor it will ever be. That is where these obstructions to reforms are coming from,” emphasized Palavric.</p>
<p>Ljiljan: Mikerevic to go, Dodik to come</p>	<p>Ljiljan pgs. 22-23 ‘Mikerevic to go, Dodik to come’ By <u>Mustafa Borovic</u> – “In order to stay in power in difficult circumstance, SDS has no choice and it is forced to reconstruct the government and implement more intensive economic reforms at least to formally satisfy its voters if not achieve more efficient results. General dissatisfaction by the people in RS and stronger and stronger pressures coming from the international community are bringing SDS politicians before a wall and they have to find way out from the current difficulties,” wrote Borovic.</p>

<p>Ljiljan: Neither OHR has recipe for (overcoming) BiH troubles</p>	<p>Ljiljan pg. 30 'Neither OHR has recipe for (overcoming) BiH troubles' By <u>Mustafa Borovic</u> – According to Borovic, the latest Transparency International study recently presented to the public shows a pretty bad picture about the situation in BiH claiming that not much has been improved in the post-election period and that some segments have been even worsening. "The international officials have no recipe for how to overcome troubles in BiH and any kind of local authorities are suitable for them in order to formally present themselves responsible before the domestic and international public," read the article.</p>
<p>BH Dani on Ashdown/International Community</p>	<p>BH Dani pg. 6 Bosnian Barometer – The magazine gave three black dots (disastrous move) to High Representative Paddy Ashdown because he was acting and behaving as the head of BiH during his recent visit to Croatia.</p> <p>BH Dani pgs. 18-19 'Paddy and return of the lost ones' – <u>Irham Ceco</u> in the article presents the recently published ICG report on BiH describing it as a detailed and largely correct diagnosis of the situation in the country. "We tried to present some important aspects of Ashdown's pact with the nationalists, but we did not enter into prediction of how successful will be its final accomplishments," said Senad Slatina, the ICG analysts in an interview which is a part of the article.</p>

Economic affairs

<p>Ploce Port/ 5c corridor</p>	<p>BHTV 1 – Solution to the problem called Ploce port is in sight. Obstruction to ratification of the agreement on Ploce by Croatian Parliament was the issue of the international member of port's management board. BH Council of Ministers agreed to exclude this article of the agreement, and Croatian Parliament is expected to ratify it in near future. However, media and some officials speculate that the ratification of this agreement could be used as an exchange good in 5C corridor case. Croatian Ambassador to BiH Josip Vrbosic said that these two issues are not related, adding they should be kept away from these kinds of speculations. 'Let me state that simply there should be no connection made between those two things.' – said Vrbosic. BH Civil Affairs Minister Safet Halilovic said that 'indirectly, in political sense, they might be related, but I don't know whether someone raised this issue in the discussions.' BiH ratified the agreement in 1998 on free transit through Ploce. On the other hand, Croatia believes that the article on international arbitrary breaches territorial independence of the state. BiH made the first step again, signing changed protocol on the Ploce port agreement. 'In my view, it is correct that this new protocol between Croatian government and BiH would be of use for Mr. Racan's personal needs prior to elections.' – said Halilovic. Croatia Prime Minister Ivica Racan, during his recent visit to BiH, promised Croatian Parliament would ratify the agreement on its next session. Vrbosic said that Parliament should start in September. BH Presidency is expected to adopt the changes of Ploce agreement soon.</p>
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**Dokic on 5c
corridor/BOSMAL**

Nezavisne Novine, pg. 5, 'Dokic: We did not make any promise to "Bosmal" – Branko Dokic, BiH Minister of Traffic and Communication, yesterday stated that a positive response of the BiH Council of Ministers on the initiative of BIH-Malaysian firm "Bosmal" does not necessarily mean that it was an end to negotiations on construction of the highway 5C. he explained that: "We did not make a promise to anybody. The job will be awarded to firm, which offers best conditions."

Aluminij

Croat Radio Herceg Bosna, BHTV 1, FTV, Oslobođenje pg. 6 'Price of the electricity to be determined by the Government', Dnevni Avaz pg. 2 'German Ambassador warns that the German investors' interests are being jeopardised' – FBiH government on Thursday adopted the Law on Forests, but did not take stand on the issue of dispute between Elektroprivreda BiH and German company Daimler-Chrysler. German Ambassador to BiH said that negotiations between Elektroprivreda and German company could raise negative reactions of the German investors in BiH, but also impact economic cooperation between two countries. BHTV 1 found out that he also asked Chairman of the BiH Presidency Dragan Covic to positively influence those negotiations. At the same time, the independent union in the Aluminij company warned that consequences of price rise in electricity could leave 900 workers without a job. However, Emir Aganovic, director of production department in Elektroprivreda BiH, said that this company 'was at loss, so are the mines, only Aluminij is positive. Average salaries of miners, workers in Elektroprivreda and in Aluminij could not be even compared.' Due to difference of the prices offered by German Company and those requested by Elektroprivreda BiH, this company registers 10 million KM of loss annually.

Dnevni list (p 5, "Budgets with no funds, workers on the streets", by M.R.), Vecernji list (p 2, "Not a word from the FBiH Government about "Aluminij", by Eldina Medunjanin) and Slobodna Dalmacija (p 20, "German interests in BiH threatened", by Fena and "Workers to get out in the streets", by Zoran Zekic) also carried the press release of the Independent Union of "Aluminij" and reported on the yesterday's meeting between Dragan Covic, the BiH Presidency Chairman, with the German Ambassador to BiH, Arnea Freiherr von Kittlitz und Ottendorf.

<p>Ashdown on Aluminij</p>	<p>Asked about the possible increase of the electricity price for Aluminij company the High Representative, Paddy Ashdown, told Vecernji List that the delicate negotiations on this issue were on the half way and the OHR was involved in them. The HR added that this issue has to be resolved and that his statements in such delicate moment would not be of any use. The HR also stated: "If we want to Europe it will not happen through the OHR. Authority bodies have to do more."</p>
<p>FBiH Government on forestry</p>	<p>Croat Radio Herceg Bosna, BHTV, FTV, Oslobodjenje pg. 10 'New regulations on forestry to be passed soon', Dnevni Avaz pg. 8 – At its session in Sarajevo on Thursday, the BiH Federation Government focused on the Law on Forestry, which was passed last year, and proposed 147 amendments on the Law. These changes are related to the management of forests, ownership rights and transfer of responsibilities to Cantons and establishment of lumber camps.</p>

<p>Seat of Indirect Taxation Administration in Banja Luka</p>	<p>BHTV, FTV, RTRS, Oslobodjenje pg. 6, Blic pg. 7 'Administration for VAT to be in Banja Luka', Nezavisne Novine, cover and pg. 5, 'Seat of Indirect Taxation Administration will be in Banjaluka', Dnevni Avaz pg. 4, Dnevni List page 2, by <u>A. Beus</u>, "Seat of Indirect Taxing Agency in Banja Luka" – RS Prime Minister Dragan Mikerevic and Finance Minister Branko Krsmanovic agreed with High Representative Paddy Ashdown that the BiH Indirection Taxation Administration would be based in Banja Luka, RS Prime Minister's spokesperson Goran Radivojac said Thursday after the session of the RS Government. The Government reviewed reports on audits in ministries, as well as the report on activities of the Banking Agency and the RS Tax Administration.</p> <p>Nezavisne Novine, pg. 6, 'Status of Magistrates' Courts need to improve' – The Ministry for Economic relations and co-ordination, Ministry of Trade and Tourism and Ministry of Finance will establish a task force, that should establish the status of the material and technical need for the functioning of inspection bodies. This was one of conclusions of yesterday's the Republika Srpska Government session. The session also discussed extremely severe material status of judges working at magistrates' courts.</p> <p>At yesterday's session, Government also discussed the report on work at Republika Srpska Tax Administration for the first six months of 2003, which concluded that profit was accomplished in the first six month for 8% bigger than profit accomplished in the same period last year.</p>
<p>Purge at Republika Srpska Customs Adm.</p>	<p>Nezavisne Novine, cover and pg. 5, 'Mikerevic announces purge at Republika Srpska Customs Administration' – This is actually an inset of above article on ITA, which was placed as separate article on cover page. Dragan Mikerevic, Republika Srpska Prime Minister, yesterday announced a purge at the Republika Srpska Customs Administration. However, he did not clarify as to whether the leading officials of CA would be removed or not.</p>

<p>Ljiljan on customs reform</p>	<p>Ljiljan pgs. 33-34 'Does the international community legalise divided BiH?' By <u>Mirsad Sinanovic</u> – According to Sinanovic, the creation of the customs regions matching entity borders represents a step towards the creation of two independent fiscal solutions. He therefore wonders if the partition of BiH will be the final outcome of the international community's engagements in the country?</p>
<p>RS Trade Unions leader announces blockade of institutions</p>	<p>Blic pg. 7 – "The lowest cost of labour in the Republika Srpska is really discouraging, but its increase is not possible at the moment," RS Prime Minister Dragan Mikerevic said during his talks with president of RS Trade Union Cedo Volas, adding that concrete talks about that would be held in September and October. Prime Minister Mikerevic said it is important to increase tax capacities, financial discipline, suppress grey economy and improve economy in general in order to increase pensions and salaries. Volas said that if the lowest labor costs are not increased to 90 KM by September and if other Union's demands are not met, they will block various domestic and international institutions, including the OHR, International monetary Fund and the World Bank. He added that he is dissatisfied with the fundamentals of the social welfare programme adopted on Wednesday by the RS Parliament, but "any programme is better than no programme."</p>
<p>SPRS supports BL health workers</p>	<p>Blic pg. 7 'Front against authority' – "SPRS supports efforts of health workers from Banja Luka Clinic center as the situation in the center is worsening every day," president of SPRS Petar Djokic told a pres conference on Thursday, calling on citizens to support the health workers. Speaking about the current situation in the Republika Srpska, Djokic said: "It is high time that the authority becomes worried about the situation and finds strength to respond to social problems. Otherwise, a wide front against incompetent authority should be launched."</p>

<p>RSNA on Republika Srpska debt</p>	<p>Nezavisne Novine, pg. 2, 'Republika Srpska owes KM 1.88 billion'; Glas Srpske, pg. 3, 'Republika Srpska reduces its debts' – The information adopted at Wednesday's session of RSNA says that the foreign debt of Republika Srpska, conclusively with 31 December 2002, amounts to KM 1,088,278,280. Since DA was signed, Republika Srpska has taken loans of approximately KM 515 million, most of which were taken at the World Bank. The rest of debt has been inherited from previous period.</p>
<p>Taxes be collected at borders as of today</p>	<p>Nezavisne Novine, pg. 5, 'Tax collection at borders as of today' – As of today, the tax fees for highly excise goods will be collected at BIH border crossing points. The so far practise was that tax fees were to be paid after the goods was sold to buyers. Both entity and Brcko District Parliaments adopted various addenda and changes to the Law on trade in highly excise goods.</p>

RS power sector restructuring

Nezavisne Novine, pg. 6, 'House of Peoples will discuss the plan for privatisation of electro-power system' – Remzija Kadric, Chairperson of the House of Peoples at Republika Srpska, confirmed that after their receive decision in writing, the delegates at this body will discuss the Republika Srpska Action Plan on restructuring and privatisation of electro-power system and establish whether the vital national interest was violated or not.

Glas Srpske, pg. 2, 'Double game of SNSD' – SDS warned of "a double game of SNSD" following Wednesday's discussion and adoption of the Republika Srpska Action Plan for restructuring and privatisation of the electric-power system in BiH. SDS says that SNSD is trying to cover the fact that in October 2000, Government led by Milorad Dodik accepted the agreement with World Bank, regarding the privatisation of the Republika Srpska Elektroprivreda. SDS claims that this document was hidden from the public.

Glas Srpske, pg. 2, 'Natural resources sold very cheaply' – Petar Djokic, President of Republika Srpska Socialist Party, stated that SPRS will not support the Action Plan for restructuring and privatisation of the BiH electro-power system.

According to him, "it is a classical deceit, because the people and the current authorities, who offered this plan, obviously do not have enough courage to say what they agreed on at their meetings. In his view, the socialists think that the national resources, including electro-power system, forests and telecommunication, must go through privatisation one day. However, these resources need to be privatised at the real value and when their reach the highest price.

NOTE: RS NA adopted just one part of the Action Plan, regarding the restructuring of the electric-power system of BiH. The part related to privatisation will be discussed at next RS NA session.

<p>Tender for sale of five hotels on Igman, Bjelasnica to be opened next week</p>	<p>Dnevni Avaz pg. 12 – Members of the Committee for Bjelasnica-Igman Project agreed to publish tenders for the sale of a total five hotels on the mountains of Igman and Bjelasnica, which will be published next week in the BiH and international media, the OHR spokesman, Vedran Persic, told journalists in Sarajevo on Thursday. The Bjelasnica-Igman Project began in May, and the Committee includes representatives of Sarajevo Canton, local authorities and OHR. Its aim is to turn Bjelasnica and Igman into modern tourist centres by attracting foreign and domestic investments.</p>
<p>DL: D. Hays to visit Bihac today</p>	<p>Dnevni List (page 4, <u>by Fena</u>, “Launch privatization process again”) carries that Principal Deputy High Representative Donald Hays will pay visit to Bihac today where he will meet with local officials. OHR Spokesperson Vedran Persic stated that the PDHR will focus on three main goals that the BiH authorities identified as their priorities that should be realized in the closer future and these priorities are: re-launching of the privatization process, arranging of business environment and increase of export.</p>
<p>Slobodna Bosna on Islamic countries' investments in BiH</p>	<p>Slobodna Bosna pgs. 5-10 ‘SDA’s phantom and Islamic capital destroyed Alhos, Polietilenka, Zenica Steel Company leaving a desert and workers in the street behind’ By <u>Adnan Buturovic</u> – The magazine claims that mainly anonymous and in business terms suspicious investors from the Islamic World have in the past years, in cooperation with their local supporters, destroyed through the privatisation process almost all they could in BiH.</p>

<p>BH Dani interview with Kukic</p>	<p>BH Dani pgs. 8-11 'By removing me, the Government legalises Covic's criminal activities' – Interview with Slavo Kukic, the removed Chairman of the Mostar-based Croat Telecommunications Supervisory Board. Kukic said that there had be no any rational reason for his removal from the post and that the FBiH Government had actually by the move legalized the criminal activities of Dragan Covic, the current Chairman of BiH Presidency and senior HDZ official.</p> <p>BH Dani pg. 3 op-ed by Editor-in-Chief <u>Senad Pecanin</u> – Pecanin claims that Dragan Covic would have been removed from the BiH Presidency long time ago if Ashdown himself has not been supporting criminal functioning of Eronet. He concludes that because of a lack of proper reaction by the international community Covic and company will be able to compete the job they could not have completed while in the steering boards of the public companies were sitting persons such as Slavo Kukic.</p>
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<p>Fight against terrorism, organised crime</p>	
<p>SBS arrested a suspected member of El-Islami</p>	<p>Croat Radio Herceg Bosna, FTV, RTRS, Oslobodjenje pg. 3, mentioned on the front page. – Suspected member of El-Islami organisation was arrested at Orasje border crossing. He travelled with wife and three children to Ljubljana and driver was a BiH citizen. Head of State Border Service Slavisa Vukovic said: "It was found he was citizen of Egypt and his BiH passport was cancelled in 2000...they had forged travel documents".</p>

<p>Other issues</p>

GS celebrated 60th birthday	Glas Srpske, cover page story, 'Voice of people and time' – Glas Srpske on Thursday celebrated its 60 th anniversary.
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