

OHR BiH Media Round-up, 19/2/2003

| CROAT RADIO HERCEG-BOSNA (18,00 hrs) | BH TV 1 (19,00 hrs) | FED TV (19,30 hrs) | RT RS (19,30) |
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| EUPM on security situation | Arson in S.Korea | Six deaths in Seljublje | EC ambassadors in the RS |
| War against Iraq | VAT and customs in RS | 'Enker' manufacturer | Privatisation |
| Del Ponte in Podgorica | Clarke appoints Milicevic | Mostar 'Hepok' employees | Seselj's statement |
| | UK policy towards BiH | Agency for State Service | Brcko Police Chief |

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| Oslobodjenje | BiH targeted by the US law; A group of convicts started a hunger strike; Minister Dokic requested an investigation of the CRA; The reconstruction of the Old bridge won't be halted; |
| Dnevni Avaz | Professors threaten to students; SFOR looked for weapons in houses; Peters – we are against war; What business did Vuk Draskovic have in BiH embassy; Ljubovic – we will fight against trade lobbies in the government; Raids – an Ukranian woman found with a customer |
| Dnevni List | The European Bank of Council of Europe intends to withdraw from the Old Bridge reconstruction – the European Bank does not want mono-ethnic projects |
| Vecernji List | French are leaving bridge |
| Slobodna Dalmacija | France gives up reconstruction of Old Bridge |

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| Glas Srpski | In spite of opposition of the Serb delegates, Milenko Milicevic appointed the new Head of Brcko Police – Serb suits Clarke; Construction Company Put from Serb Sarajevo – apartments to be given to employees |
| Nezavisne Novine | Representatives of the international community on the liberalisation of public sector in BiH – electricity and phone bills too high; Professors from the University of Banja Luka accuse Gojko Savanovic – minister copied physics textbook; A girl from Prijedor sold to Bosansko Grahovo in an exchange for a sheep and lamb; Fatmir Limaj run away with Haqim Taqi |
| FRY Nacional | Cavoski – Svetozar Marovic would arrest Karadzic because of the state president post; Del Ponte – Mladic is hiding somewhere in Serbia |
| Blic | Mikerevic – we will offer our version of customs and VAT; Jasmin Samardzic – 540 million needed for the return program |

| Economic Affairs | |
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| Tax collection | Avaz pg. 2 'VAT to be collected at the point of mass purchase and production until the VAT introduction' by E.D. – a daily's source stated that IC reps almost reached an agreement to collect the sales tax at the points of mass purchase, import and production until the VAT is introduced. This would eliminate the current collection of taxes at the point of micro purchase, which allowed for the establishment of 'phantom' companies'. |

**Commentary in
Oslobodjenje**

Oslobodjenje pg. 2 'State with the transport schedule' by Amra Kebo – commenting on the attempts to introduce the VAT and customs. The daily was informed by OHR Spokesperson, Julian Braithwaite, that BiH authorities conditionally agreed on the issue, and that the process is on its way. Also, they will inform Brussels there would be consequences if any of the parties fail to stick to the initial agreement, but it did not say what kind of consequences. Unlike her previous commentaries, Kebo is very positive about the IC's role in the project of VAT and customs intro. She concludes by saying that the VAT is the perfected version of tax collection that reduces criminal and fills state budget. "Only those who have been cheating the state so far can object to this. And to try and manipulate it by creating two out of one VAT again can only be done by someone who does not want to see BiH developing in meaningful and functional state."

**Round table on
liberalization
of public
sector**

Avaz pg. 3 'Hays claims that monopolistic companies suffocate business in BiH' – on yesterday's roundtable on the liberalization of the BiH public service sector. PDHR Donald Hays stated that due to monopolistic position of companies in BiH the business in BiH stagnates, new investments are lost, no employment vacancies open and the future of BiH citizens is closing. Wolfgang Vencel, Director of 'Volkswagen Sarajevo', presented information showing that the cost of telecommunication services in BiH were as many as six times more expensive than in other EU countries. US Amb.

Clifford Bond said that state monopoly would not ensure better services or reduce the prices of the same. Dnevni List pg. 1 and 5 by Irena Barbaric – quotes Director of the WB Mission to BiH, Joseph Ingram, as saying that 'many advisors or politicians, especially those from the RS, despite seeing and understanding the real problems, do not undertake any measures.'

Nezavisne Novine pg. 3 – the conclusion reached at yesterday's round table was that it was necessary to subject the domestic telecommunication companies to privatisation, in order to prevent any monopoly over them and cut costs of their services. Furthermore, private companies should be allowed to provide telecommunication services. Herbert Pribitzer, OHR telecommunication expert, said the costs of phone calls in BiH were twice as higher than in any EU member-states.

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| Commentary in Avaz | <p>Avaz pg. 3 'The end of anarchy in telecommunication' by <u>Armin Zeba</u> – on the persistent warnings by the IC to the anarchy in the sphere of BiH telecommunication would continue until it's liberalized. Zeba thinks three ruling telecommunication companies in BiH, especially BH Telecom, should take these warnings seriously. "In BH Telecom they have to be aware of them. They will either accept the market game imposed on them or, like dinosaurs, they will disappear forever."</p> |
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| Cavic-Humphreys | <p>Avaz pg. 4 'Cavic claims that the RS would lose meaning of its existence if it lost the source revenues' – RS President, Dragan Cavic, yesterday met in Banja Luka with Michael Humphreys, Chief of the EU delegation in BiH, to discuss the devising of a study of adjusting to the EU and the establishment of single customs and tax systems. Cavic said that the RS would lose the meaning of its existence if it lost the source revenues, which naturally leads to a question of further existence of the RS. Humphreys stated there were certain disagreements in the course of the meeting. Added that he recognized constitutional structure of BiH, hence supported the strengthening of the state institutions. He however added that did not mean the endangering of entities. Glas Srpski pg. 1, Nezavisne Novine pg. 3 – "During the meeting we also discussed the standardisation and reorganisation of the tax and customs systems in line with standards existing in other states," said Cavic.</p> |
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PDP against VAT

Avaz pg. 8 'PDP against Ashdown's VAT suggestion' – yesterday's press conf. By the PDP. The party Spokesperson, Nevenka Trifkovic, said that Ashdown's decision on the establishment of a commission and the introduction of VAT was not acceptable for the RS. She said the decisions defined centralization of collecting and spending money, which means that eh RS will participate in the pay out of debts they never took out. She further called on partners in the authority to declare their standpoint on the issue. Sglas Srpski pg. 2 – Trifkovic was extremely critical of a decision passed by HR Ashdown, stressing that HR failed to demonstrate the will to find better solutions in regard to tasks stipulated for the Indirect Tax Commission. Blic pg. 7 'Centralisation of BiH', Nacional pg. 11 'Ashdown's Commission for tax unacceptable', Vecernje Novosti pg. 13 'RS repays BiH debt' – "We expect our partners in the government, particularly the SDS, which has the most delegates in the Assembly, to declare itself more clearly and directly on the issue, because it will determine the future of the RS," Trifkovic said. She further emphasised that the PDP is for the introduction of VAT, but requested that the collected revenues be returned to where they belong, meaning to entities.

**Mikerevic on
VAT and customs**

Blic pg. 7 'RS has a solution for customs and VAT' – RS Prime Minister Dragan Mikerevic and Head of the European Commission Delegation in BiH, Michael Humphreys, said after yesterday's meeting that there was no consent on the introduction of VAT and single customs in BiH. "We do not agree about the principles of these reforms. We will soon inform the public and the IC about the government's final proposal," Mikerevic said. According to Mikerevic, the proposal would enable the function of VAT with the same rate in both entities, and would be in line with the European standards and BiH Constitution. Mikerevic said that other solutions could not be accepted because they would mean 'the centralisation of BiH, and the RS would lose its fiscal independence'. The RS Prime Minister also said that the privatisation in RS must go on 'and especially in strategic enterprises such as the RS Elektroprivreda'. Humphreys said that the introduction of single customs system and VAT would not bring into question the entity authorities and rights, and that it was important to speak about the positive aspects of this introduction. Humphreys also met yesterday with RS President Dragan Cavic and RS National Assembly's Speaker Dragan Kalinic.

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| Terzic-Peters meeting | <p>FENA – BiH Council of Ministers Chair, Adnan Terzic, met German Ambassador to BiH Hans Jochen Peters in Sarajevo Tuesday. Peters underlined German and EU's support to reforms in BiH. He expressed interest in priorities of the BiH government in the upcoming period, especially activities on the introduction of VAT and the establishment a common customs administration in BiH. Terzic underlined the need for the increasing financial discipline in BiH, which should be made possible by the introduction of VAT and the establishment of a common customs administration in BiH.</p> |
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| Political Affairs | |
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| Finci vs. SDA | <p>Avaz pg. 4 'The reaction of a party committed to reforms is surprising' – a reaction by Jakob Finci Director of the Agency for State service to yesterday's announcement by the SDA that he has been using double standards in the course of his work. "I think it's a little surprising to get such reaction to an act that that was fully in accordance with the Law on Stet service from the SDA, party that has committed itself to the reforms. The law was not imposed by HR, but was adopted by the BiH parliamentary Assembly, and the SDA voted in favour of it," said Finci. Another article related to the issue also on pg. 4 of Avaz entitled 'Support to the Agency for State Service' – Oleg Milisic OHR Spokesperson stated the Agency and Director Finci had OHR's full support. As for the criticism of Finci, Milisic said it was totally unfounded considering the Agency only started working on February 6 (for more detailed info on the accusations by the SDA pls. see yesterday's Media Round-Up).</p> |

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| Mostar | <p>Avaz pg. 5 'The SBiH will not support measures for the re-structuring of Mostar city' – the SBiH announced yesterday they would not support a platform of the 'Measures for the reconstruction of Mostar city', which has been devised by the Coalition Club for the United and Democratic BiH and SDP. The party refuses to support it because the suggested measures cannot solve the acute issues and parallelisms that Mostar citizens have been living with.</p> |
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| DL on Mostar | <p>Dnevni List pg. 1 and 7 by <u>M. Malic</u> – the European Bank for Development of the Council of Europe sent a few months ago a protest note to Mostar local officials, but also to officials of the OHR Mostar requesting from them to do everything in order to stop the negative trends in Mostar. Also, they requested the sanctioning of Mostar officials who started spreading xenophobia. DL says that they made this move due to the fact that the Mostar Municipality Stari Grad led by Zijad Hadziomerovic established a special unit for the Mostar Old Town core, thus put this part of the city, that should be administrated by an inter-ethnic agency, under its control. DL says that the statement of French Ambassador Bernard Bajolet has shown that all persons in international administration in BiH do not agree with HR Paddy Ashdown's direction, and that, unlike Ashdown, Bajolet believes that Mostar has to be a priority, that Mostar does not need six municipalities divided on a national principle and that France will not support the destruction of Mostar in any way. DL says that due to the recent negative trends a further support of the Republic of Croats has also been brought in question and, allegedly, for this reason Croatian Ambassador in BiH Josip Vrbosic came to Mostar yesterday. DL says that Head of the Housing Department of the Mostar City Administration, Franjo Boskovic, stated that the signing of a contract on the reconstruction of one building in Mostar Boulevard with representatives of the Spanish government was postponed. DL concludes: "However, in spite of everything, the OHR's lack of interest for the negative processes in the city is still a dominant policy of Head of OHR South, Deputy High Representative Jean-Pierre Bercot and it is hard to expect that the OHR will declare its stand on anything." DL says that the reaction of the US embassy is also being expected since Americans invested a lot of money in this area and since under the leadership of former American Ambassador Thomas Miller the process of the Mostar unification started.</p> |
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| <p>Law on Public Service</p> | <p>Avaz pg. 4 'The appointment of deputies in five ministries still uncertain' – the follow-up on yesterday's story (see yesterday's Media Round-Up) about an agreement reached among the SDA, SBiH, HDZ and HR Ashdown to halt further personnel changes until the Law on Public service was adopted. The daily reports today that the agreement may not apply to the five new ministries, which hold vacant positions for deputy ministers. In the case of necessity, the agreement also would not apply for the following vacancies – Deputy in the Customs Administration, MoI Secretary, deputies in ministries of Internal Trade, Administration, Legal Affairs and Treasury (vault).</p> |
| <p>Svilanovic</p> | <p>Avaz pg. 2 'Svilanovic in Sarajevo today' – Foreign Minister of Montenegro and Serbia, Goran Svilanovic, will arrive today in Sarajevo where he'll meet Malden Ivanic, the Presidency members and Adnan Terzic. Oslobođenje pg. 3 'BiH will chair SEECP as of April' – on Svilanovic's visit. Also, a statement by BiH Foreign Ministry Spokesperson, Miranda Sidran Beslagic, that BiH would chair the SEECP in April instead of Serbia and Montenegro, which will be one of the main topics of Svilanovic-Ivanic meeting. Vecernje Novosti pg. 9 'Svilanovic and Djelic in Sarajevo today' – Serbian Minister of Finance Bozidar Djelic will also visit Sarajevo today, where he will meet Ljerka Maric, BiH Minister of Finance and Treasury, and Federation Vice-President Dragan Vrankic. Also reported on Svilanovic's visit.</p> |

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| <p>US – BiH</p> | <p>Oslobodjenje pg. 1 and 3 – during Mladen Ivanic's visit to the US, he was told that the Bush Administration expected BiH to sign the offered agreement on the exemption of the US citizens from the International Crime Court, which is to start working on July 1. Ivanic was also discreetly told about the new US Law on the ceasing of the US military help, possibly other support too, for countries that refuse to sign the agreement. Miranda Sidran Beslagic stated the Ministry received the request from the US and was in the process of examining it. Avaz pg. 10 'The US expecting from BiH to sign the agreement on the exemption of the US citizens' – the US government so far signed the inter-state agreement on the exemption of the US citizens with 20 countries.</p> |
| <p>DL editorial</p> | <p>Dnevni List pg. 8 – according to information coming from the US State Department, during the recent visit of BiH Foreign Minister Mladen Ivanic to Washington it was said to him that Bush's Administration and the US Congress expected the BiH government to accept the offered inter-state agreement on the exemption of US citizens from the International Criminal Court (ICC). Also, on this occasion they discretely warned Ivanic about a new American Law on the suspension of military assistance and 'other kinds of support' to the states that do not accept the bilateral agreement with the US with regard to the ICC. DL says that Ivanic left Washington with dilemma for or against the ICC. "For all members of 'the new Europe' this is a rather big dilemma, which, perhaps, is the most difficult for BiH made of two entities, whose stability and the post-Dayton development is being secured by international forces with their headquarters in the US base in Tuzla."</p> |

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| Ashdown's trip to Posavski Canton | Oslobodjenje pg. 3 'Ashdown in Posavski Canton today' – Oleg Milisic informed journalists yesterday that HR Paddy Ashdown would be travelling today to Samac, Orasje and Tuzla, as a part of his campaign of the economic reforms awareness. |
| Dokic vs. CRA | Oslobodjenje pg. 1, 4 and 5 – Minister of Communication and Transport, Branko Dokic, last week suggested to the CoM (verbally) to stop the process of the allocation of the third GSM licence and examine whether the CRA was respecting the laws in the process. CoM Chair Terzic rejected the notion because, according to the daily' sources, the idea was not presented in the written form. Haris Basic, Deputy Minister of Communication and Transport, said the Ministry was devising a document on the matter, which would lead to the Com making a decision in the matter. He however could not say whether Dokic's proposition would be put in writing. |
| NHI on Tihic | Oslobodjenje pg. 5 'Preparing the removals of non-loyal ones' – the NHI criticizing Sulejman Tihic referring to his statements made in an interview he gave to Dnevni Svaz on Monday (for more details see Monday Media Round-Up). As for Tihic's statement that there were still 2,000 government employees from the past government, the NHI claims that Tihic is preparing an alibi in advance because it plans to remove all people appointed during the Alliance time. |

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| <p>Interview with Colak</p> | <p>Slobodna Dalmacija pg. 1 and 7 – an interview with Acting President of the HDZ BiH and BiH Minister of Security, Barisa Colak. Asked about the alleged molesting of Croat prisoners in the Zenica penitentiary and whether he could launch an initiative and launch an investigation into it, Colak said the HDZ BiH had already requested launching of an investigation and that he would, in the capacity of Minister of Security, requested an active participation of competent state and entity officials and seek help from the IC, OHR and groups that dealt with human rights in particular. Colak notes it is the Federation Ministry of Justice that is obliged to investigate into molesting of Croat inmates and punish the responsible. Commenting on journalist's assessment that HR Paddy Ashdown does not label Croats as the 'duty culprits', Colak agreed and said that Croats had had correct relationship with HR Ashdown. "But that does not mean that our constitutional position has been improved and that we could be satisfied. We have a long political fight ahead of us in order to achieve the full equality and a constituent status in the entire BiH," says Colak.</p> |
| <p>Drvar Mayor resigns</p> | <p>Blic pg. 6 'Drvar Mayor resigned' – Drvar Mayor, Dragan Puzigaca, has resigned because, as he explained, he could not prevent the illegal privatisation that Croat cantonal authorities conducted in the town. According to Puzigaca, the cantonal Agency for Privatisation has sold 20 business premises in the town's centre for an insignificant amount of money, and the public was not informed about that, because tenders were not published in papers that Serb returnees in Drvar could read.</p> |

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| <p>Request for dismissal of Ivanic</p> | <p>FENA – the FBiH Association of War Medal Recipients demands the dismissal of BiH Foreign Minister, Mladen Ivanic, due to his announcements on the Iraqi crisis. The Association announced that Ivanic managed to gain points for the RS, to block the introduction of VAT and customs at the state level and stop the ‘Orao’ investigation with his ‘irresponsible conduct and relation towards his own country, and ingratiating himself with the American and British representatives in BiH’.</p> |
| <p>VL on distribution of key FBiH positions</p> | <p>Vecernji List pg. 4 by <u>Robert Bubalo</u> ‘Bosniaks leave Serbs office of the Speaker’ – regarding the appointments in the Federation government, and in light of the appointment of Amir Jaganjac as President of the Federation Supreme Court. It carries a statement by Acting President of the HDZ BiH and BiH Minister of Security, Barisa Colak, as saying that the High Judicial and Prosecutorial Councils (HJPCs) did not abide by the Amendment 74 of the Federation Constitution that stipulated the order of appointments.</p> <p>According to Colak, the first is legislative followed by the executive and finally the judicial authority. Colak says the issue will be resolved during the week, and Bosniaks will give one of the positions to Serb people. VL learns from its sources that Bosniaks will leave Serbs the post of the Federation Parliament’s House of Representatives speaker. In this context, VL says Bosniaks do not want to stay without important posts in the judiciary.</p> |

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| CRO press on HNK govt | <p>Dnevni List pg. 3 'Mihajlo Butigan new Head of the Privatisation Agency' and Slobodna Dalmacija pg. 18 'Mihajlo Butigan new Head of the Privatisation Agency' – the Herzegovina-Neretva Canton government in the technical mandate yesterday appointed Mihajlo Butigan Director of the HNK Privatisation Agency and Alija Tipura Deputy Director of the same agency.</p> <p>Butigan and Tipura are currently HNK Deputy Minister and Minister of Finances respectively. Former Director and Deputy Director left for new duties in the BiH Council of Ministers and the Federation government. Apparently, cantonal Minister of Justice, Kemal Isakovic, and cantonal Minister of Physical Planning, Tahir Dzuliman, both from the SDA, were against the appointments. The two believe that the appointments oppose the Constitution and clearly represent a conflict of interest.</p> |
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| Humanitarian Affairs | |
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| A letter to Ashdown | <p>Oslobodjenje pg. 2 'Symbolical return of BiH refugees' – a letter sent to HR Ashdown by the BiH World Diaspora Union Main Board where they expressed their concern by reports in BiH media that the IC could announce this year that the Annex 7 had been fully implemented. They said that according to information they had, only around 9% refugees returned to their pre-war addresses so far. They also said to be concerned over the fact that the IC was behind an initiative to presented the return projects as done job.</p> |

| Military Affairs |
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| FBiH Army | <p>Dnevni List pg. 1 and 3 by <u>I. Barbaric</u> – notes that the office of the Federation Deputy Minister of Defense has been abolished with all its authorities that were identical to the Minister's. "Due to specifics of the MoD, in other words the existing parallelism, this act will open many issues. One of them is who is going to represent Bosniak interests. In an attempt to solve the problem painlessly, a position of the so-called coordinator has been introduced and Lutvo Mehonic will perform the duty. It has been stressed the decision will last until a more permanent solution has been found," says DL. The daily stresses the issue becomes more intriguing after General Dragan Curcic stated for the Federation TV the other day that he would become new Advisor to the Minister of Defense. DL describes Curcic as one of creators of the so-called Croat self-rule and a man who was not cleared by the OHR to assume the post of the Federation Minister of Defense.</p> |
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| <p align="center">Police Affairs</p> |
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| <p>Milicevic appointed</p> | <p>Glas Srpski front page, Nezavisne Novine pg. 3 – on the appointment of Milenko Milicevic to the position of the Brcko Police Chief. International Supervisor for Brcko, Henry Clarke, appointed Milicevic as Brcko Police Chief, in spite of the fact that all Serb delegates opposed his nomination as ‘Serb candidate’. Regarding the media speculations that Milicevic took part in war crimes committed against Serbs and former JNA soldiers, Clarke said that those accusations have not proved to be true. Avaz pg. 8 – Clarke also appointed yesterday Mustafa Sinanagic, and SDP member, for a rep in the Brcko Interim Assembly. Oslobodjenje pg. 6 – reported on the appointments.</p> |
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The Hague Affairs

**Del Ponte on
Mladic**

Nacional pg. 3 'Del Ponte: Mladic is in Serbia' – ICTY Chief Prosecutor Carla Del Ponte said on Tuesday that the Belgrade's authorities did not deny that Ratko Mladic was in Serbia. She also said she had information that some Hague indictees were in Montenegro. "All information I receive are saying that Mladic is in Serbia. I, of course, do not know where he is today, or I would say someone to go and arrest him, but one is sure – he is in Serbia," Del Ponte told a press conference in Podgorica. She did not want to give names of those indictees that were allegedly hiding in Montenegro, but she said that hopes were that they would be arrested. "Mr. Djukanovic (Montenegro PM) promised that Montenegro would locate and then arrest any Hague indictee that might be in Montenegro," Del Ponte said.