

OHR BiH Media Round-up, 19/7/2002

Print Media Headlines

Oslobodjenje: BiH to sue the Republic of Slovenia if old foreign currency savings are not paid

Dnevni Avaz: Paddy Ashdown – We are saving BiH from bankruptcy; Durakovic – BiH will not be a colony of Serbian and Russian tycoons

Jutarnje Novine: 5,000 prostitutes work for foreigners in BiH; Milan Kucan in Sarajevo

Glas Srpski: Four apartments in a building secured by Federation MUP broken into: The police guarded thieves?!; Banja Luka: Funds for temporary accommodation

Nacional: Islamic terrorist had plan B: Sniper's trap at Bascarsija for Kostunica

Blic: RS Government reduces number of ministries; Branko Dokic, PDP: Bilic and Turalic stay in the Government

Nezavisne Novine: Milan Kucan in visit to BiH: Slovenia does not want to turn BiH into a colony; Four apartments of officials broken into in Sarajevo

Dnevni List: Slovenia does not have imperial aspirations towards BiH

Vecernji List: Kucan nearly cancelled his visit to Sarajevo

BH DANI: Dani reveals who stands behind the economic war against BiH and AM Sped, CIPS, Aluminij affaris...

Slobodna Bosna: Srebrenica and Kostunica

BiH Foreign Relations

Slovenia's President **Milan Kucan** was in Sarajevo on Thursday for a one-day official visit clouded by an ongoing dispute over old foreign currency savings in Ljubljanska Banka. Kucan

met with the members of the **BIH Presidency**, Jozo Krizanovic, Zivko Radisic and Beriz Belkic, and discussed with them the current political situation in the country as well as the controversial issue of savings deposits.

"Unfortunately, we have concluded that attempts to find a solution through the Bank for International Settlement have not borne fruit and it is evident that the governments of the two states will have to find a solution in bilateral talks, irrespective of positions that either of the two states will advocate," Presidency chairman Belkic said. *"In order to preserve friendly relationships, we must face some open issues,"* he added, referring to the Ljubljanska Banka problem and the issue of trade deficit between Slovenia and BiH.

"Slovenia does not want to be seen in Bosnia as an imperialist state that wants to turn BiH into its colony," Kucan said and pledged Slovenian support to BiH efforts to join European institutions. (**Oslobodjenje** front page, **Dnevni Avaz** p. 4, **Jutarnje Novine** p. 4, **Nezavisne Novine** p.3, **Dnevni list** f.p., **Vecernji List** f.p., **Jutarnji List** p.2, **Slobodna Dalmacija** p.12, first item in **BHTV 1**, **FTV**, **RTRS** prime time news)

"Unless Slovenia pays out old foreign currency deposits to its pre-war BiH customers, BiH will have no alternative but to file charges against it," **Anto Domazet**, the BiH Minister of Treasury, told the press following the Council of Ministers' meeting with the Slovene president, Milan Kucan. *"In talks with the Slovenian delegation, a delegation of the Council of Ministers expressed its full readiness to improve the overall economic cooperation between the two countries, and suggested that the problem of old foreign currency savings is being treated as an issue which requires bilateral cooperation as well as cooperation at the level of the Council of Europe. If neither of these options works out, we are left only with international charges."* (**Oslobodjenje** front page, **Dnevni Avaz** p. 4, **Jutarnje Novine** p. 4, first item in **BHTV 1**, **FTV**, **RTRS** prime time news)

"I believe that all this will take a long time, although they (Slovene government) have to be aware that we will not give up...Citizens are impatient, but they are only asking for what belongs to them," **Ale Lizalovic**, the president of the Association of pre-war customers of Ljubljanska Banka told the press. (**Oslobodjenje**, front page, **BHTV 1** and **FTV** – third item in their prime time news)

Economy

The High Representative, Paddy Ashdown, was in Washington on Thursday to hold emergency talks with the IMF after the threats that the IMF will withhold US\$100 million in stand-by loans to BiH if the BiH parliaments pass legislation that breaks this year's budget. This, in particular refers to a bill before the Federation Parliament which aims to increase veterans' pensions, i.e., the proposed Law on the Rights of Soldiers, War Invalids, and Families of Deceased Soldiers.

"The IMF has made it clear that if the veterans' pension bill goes ahead, the stand-by loan will not be paid. This will deprive BiH of immediate access to funds. It will also damage the country's credibility with other international financial institutions and potential foreign investors," said OHR in a press release reported on by the **BHTV 1**, **FTV**, **Dnevni Avaz** front page, **Jutarnje Novine** p. 3. **Nezavisne Novine** p.3, **Blic** p. 11.

"BIH truly needs to start living in line with the promises it made," the High Representative, Paddy Ashdown, told **Dnevni Avaz** (front page by Sead Numanovic– "We are saving BiH from bankruptcy"). *"I am here to ask the IMF for little bit more time, to ask them not to lose patience with BIH. They told me their patience is running out, and I believe that BiH politicians understood how important this issue is and that they are ready to resolve it in the coming days,"* said Ashdown, adding that BiH politicians ought not breaking their promises. *"There is no compromise with this...This is not only about the agreement with the IMF, but a series of other*

bilateral and multilateral agreements could be endangered.”
(**Oslobodjenje** p. 3)

In an interview with **Dnevni Avaz** (front page), a senior member of the SDP, **Nijaz Durakovic**, said that the High Representative, **Paddy Ashdown**, should be more energetic in the sphere of economy. *“If it continues this way, BiH is going to fail in economic sense. Many say that that the economy is not as nearly as important as is corruption which has been inherited. That is what Paddy Ashdown believes. That is why he should be more energetic as he promised, and, if we are not capable of doing this on our own, he should use his powers to cut (corruption).”*

Media report that the Federation government did not discuss at yesterday's session the controversial proposed Law on Veterans' Benefits. *“The government will discuss this item on Friday. This will be the only item on the session's agenda,”* said the government spokesperson, **Ljerka Bojic**. The Federation Minister for Veterans Issues, **Suada Hadzovic**, said that this issue could not have been discussed at yesterday's session because Cantonal governments could not provide assurances that they would pay veterans' benefits. Hadzovic said that she will once again try to re-calculate the budget. *“It would be realistic to provide 300-320 million KM to the families of the fallen soldiers and veterans...However, we cannot make promises that we cannot keep.”*

In a lengthy article in **Slobodna Bosna**, Senad Slatina notes that the Proposed Law on Veterans' Benefits could only worsen the already difficult position of the veteran population and lead BiH to full bankruptcy. *“The problem in this country is the fact that there is not a single serious political candidate which would dare to oppose the Proposed Law, which, without any grounds, promises higher compensation to this segment of the population.”* Slatina writes that the Federation president, Safet Halilovic, (Party for BiH) openly supported this Law during his meeting with representatives of veterans

associations, knowing in advance that it will be rejected by the Prime Minister, Alija Behmen and Veteran's Issues Minister, Sefika Hafizovic (both from SDP). *"This would ensure that veterans' wrath is directed against the SDP. Whoever decides to oppose this Law publicly is risking to feel the anger of the bitter veterans population,"* concludes Slatina.

At a Ministerial Conference held in Vienna on Thursday, member-countries signed a Declaration on attracting investments to the Southeast Europe. *"Countries of the region demonstrated their joint commitment to work as one on attracting foreign investments...With a joint promotion of our interests and with a network of free trade agreements, we are creating a market with over 60 million potential consumers, which is one of the prime cards for attracting foraying capital,"* explained **Azra Hadziahmetovic**, the BiH Minister for Foreign Trade and Economic Relations. (**Dnevni Avaz** p. 3)

The BiH Council of Ministers failed to adopt on Thursday the decision on the standard of quality of liquid oil fuels, since a single tax policy and procedures in the field of the high-tariff goods have not yet been established in BiH. *"By the standards of quality of liquid oil fuels, the import of non-qualitative fuels would be prevented, technological modernization and creation of a single economic market would be enabled and the market for domestic capacities would be spread,"* explained Anto Domazet, the BiH Minister of Treasury. (**BHTV 1, FTV, RTRS, Dnevni Avaz** p. 4)

Slobodna Bosna and **BH DANI** report that the reason the BiH Council of Ministers failed to adopt the resolution on the standard of quality of liquid oil fuels because some members of the BiH Council of Ministers, namely **Zlatko Lagumdzija**, are obstructing the discussion. Weeklies speculate that Lagumdzija is trying to protect the interests of the Croatian INA company, which would lose its privileged position on BiH market should this law be passed. *"The companies which would profit to a greatest extend from the adoption of this rigorous*

law would be Slovenian Petrol and the Oil Refinery from Bosanski Brod.” According to **Slobodna Bosna**, both these companies have their own lobbies in the Council of Ministers.

Financial Affairs

CIPS

“The current BiH Council of Ministers has never participated in the selection of the companies that take part in the realization of the CIPS project, because the process was completed at the end of 2000,” BiH Treasury Minister **Anto Domazet** said after a Thursday session of the Council. Domazet rejected allegations of printing houses in BiH who say they were perfectly able to complete the job of printing identity documents. *“Machines for the production of such documents with a special protection do not exist in BiH and will be imported for the first time, on the basis of the agreement with Siemens.”* he said, adding that the Council had ordered the authorized bodies, in cooperation with the Office of the High Representative (OHR), to prepare for the BiH Parliamentary Assembly and the BiH public a complete report on the project. (**Oslobodjenje** p. 6, **Dnevni Avaz** p. 10, **BHTV 1** and **FTV**)

In an interview with **Vecernji List** (p. 4), **Svetozar Mihajlovic**, the BiH Minister of Civil Affairs and Communication, said that an OHR working group is responsible for the selection of companies for the CIPS project. Mihajlovic adds that this working group was formed even before the current composition of the **Council of Ministers** started to work. **Vecernji List** (page 2, signed by Mila Stankovic), **Dnevni List** (page 2, signed by Ljiljana Petricevic) and **Vjesnik** (page 9, signed by Mario Marusic) carry very critical editorials about the decision of the BiH Election Commission to select a Croatian printing house to print ballots for the upcoming elections. All editorials say that the explanation that BiH does not have modern equipment to realize this part of project is not correct. *“Five printing houses have been*

shut down during this year and there are also many young and educated people in BiH who do not have job, which is very frustrating, while on the other side such profitable projects are being given to foreign companies."

Dnevni Avaz (p.10) writes that the SDP leader, **Zlatko Lagumdžija**, was yesterday "walking the halls of the Common Institutions building and waving with the alleged OHR paper...showing that the media campaign about the CIPS project is connected with the Party for BiH and its intent to compromise him." The daily, however, notes that the paper was "obviously a fraud and it just caused condescension of those who realized that Lagumdžija is trying, once again, to scare his opponents with the alleged support by the OHR."

In a short commentary, **Slobodna Bosna** reports that the newspaper with the highest circulation in BiH – **Dnevni Avaz** – already decided to support Haris Silajdzic and the Party for BiH in its pre-election campaign and to "bash" the SDP and its leaders, Zlatko Lagumdžija and Alija Behmen. "For this purpose, the daily formed its standing firing squad made up of well-trained volunteers, privately hungry for a revenge – Sejad Luckin and Sead Numanovic." According to the weekly, Luckin cannot forgive Lagumdžija the removal of his older brother, Esad Luckin, from the post of the Sarajevo Canton Minister of Economy, while Numanovic cannot get over the fact he has not been appointed to one of the diplomatic posts for which he has been lobbying for the past five years. **Slobodna Bosna** also argues that **Avaz** will soon be joined in its offensive by **BH Dani** and **Valter**.

In an opening editorial in **BH DANI**, Senad Pecanin argues that although "the military aggression failed to destroy BiH, the country is on the best way to be defeated in an economic war" and become a colony of its western neighbors, as well as the western multinational companies and states. Pecanin claims that all the serious crimes including the financial irregularities and frauds related to the Mostar Aluminum

Company privatization, oil trade, CIPS, Lijanovici Company, Federation Pension Fund, AM Sped Company, printing of the ballots abroad, Ljubljanska Banka pre-war deposits, and tobacco industry are being (non) deliberately supported by the top domestic officials (SDP's **Zlatko Lagumdžija** and NHI's **Kresimir Zubak**) and the international organizations, which are instead dealing with the *"obstructions of the return to Donji Vakuf."* Pecanin announced that the magazine is going to address these issues in detail starting from this week.

In an article on the **AM Sped** affair published in this week's **Dani** (pages 24-25), Senad Pecanin writes that the entire case would have been forgotten shortly if **Lagumdžija** did not try to fix his deteriorating image in the public. *"That is how a story was created (made up), with the BiH Federation Prime Minister **Alija Behmen** as a character, about Tino Bralo offering a bribe of 21 million, about 42 million of his blocked funds, and about Sijajdzic's criminal-like requesting the bribe,"* Pecanin wrote.

Pension Fund

Slobodna Dalmacija (page 16, by Josip Senda) reports that an orchestrated and ordered hunt for the acting Director of Federation Pension and Disability Fund (FMIO) **Bozo Misura** has reached its summit in a statement by the Federation Prime Minister **Alija Behmen** who told the Federation TV on Thursday that both directors (Bozo Misura and Mirza Feric) would not be doing their current jobs if this month's pensions are one day late. SD says that this (un)expected statement is a consequence of the vicious media campaign against Bozo Misura and FMIO started by the leader of Party of Pensioners **Husein Vojinkovic** and former member of Steering Board of PIO BiH (in Sarajevo) **Enver Sarajlic**, the campaign which continued with attacks coming from **Mirza Hajric**, Director of ERC Zipo Company who accused Misura of carelessness and stealing money. The author goes on to say that Misura's reaction resulted in him calling on all relevant institutions and IC to investigate

into operations of the Federation MIO and ERC Zipo adding that it is a nonsense to announce a dismissal of the Director of FMIO because Misura only tried to defend himself from allegations of people whom Misura labels as the actual thieves.

International Community

Nearly all Sarajevo media report that Ambassador Dr **Gerhard Enver Schroembgens** assumed on Thursday the post of the Senior Deputy High Representative. Ambassador Schroembgens, a German diplomat with an enviable experience, will take over from Ambassador Matthias Sonn. (**Dnevni Avaz p. 2, BHTV 1, FTV**)

In an editorial in **Dnevni Avaz**, Husein Orahovac, notes that yesterday's warning of the new SDHR, **Gerhard Enver Schroembgens**, that the Federation citizens are the ones suffering because this entity still does not have a new Finance Minister, opens up the issue of political responsibility of individual parties in the ruling Alliance.

The OHR warned on Thursday deputies in the BiH Parliamentary Assembly that there is a number of important laws that need to be adopted before this body goes on the summer recess. "These laws cannot wait for the parliamentarians, they urgently must be adopted," said OHR spokesman Patrik Volf. (**Dnevni Avaz p. 5, Oslobođenje p.5**)

Incidents

The unknown perpetrators broke into several apartments in Sarajevo used by BiH officials, including the apartment of the BiH CoM Chairman, **Dragan Mikerevic**. The Cantonal Interior Ministry confirmed that the perpetrators also broke into the apartments of the Deputy Minister for European Integration Processes, **Zora Marijanovic**, Federation Public Prosecutor, **Marinko Jurcevic** and Deputy Federation Minister for Energy, Mining and Industry, **Vinko Bosnjak**. **Dragan Mikerevic** stated for Nezavisne Novine that he is not sure whether this incident is related to some of his recent public appearances. The RS Government issued a press release which reads that the

incident occurred exactly when Mikerevic initiated an investigation on illegal activities related to the CIPS project. The RS Government also supported Mikerevic's decision to move to RS for security reasons. (**Glas Srpski**, cover page, **Nezavisne Novine**, p. 3, **Oslobodjenje** f.p., **Dnevni Avaz** f.p., **Blic** p.11)

NBC network research team argues that there are at least 5,000 women, victims of white slavery, currently in BiH, which serve as "prostitutes for the international society in BiH." According to the network, many of these women are being held hostage near SFOR basis, so as to be available to NATO soldiers and IPTF officers. NBC quotes Kathryn Bolkovac, a former IPTF officer, who accused her fellow policemen of *"generously using this service and accepting bribes from brothel owners across BiH."* (**Jutarnje Novine** and **Oslobodjenje** announce this item on their front pages)

Electronic Media Headlines

BHTV 1

- The three member presidency met in Sarajevo with the Slovene president, Milan Kucan, and discussed with him the present situation in BiH and relations between the two countries; The issue of Ljubljanska Banka old foreign currency savings was addressed but not resolved
- BiH Council of Ministers meets with President Kucan and discusses the problem of unpaid old foreign currency savings in Ljubljanska Banka
- Slovene President Kucan and the chairman of the BiH Presidency, Beriz Belkic, together with the director of the Slovene company Gorenje visited Gorenje's premises in Blazuj near Sarajevo
- Official apartments used by the chairman of the CoM, Dragan Mikerevic, deputy Minister of European Integration, Zora Marijanovic, Federation Public Prosecutor Marinko Jurcevic and deputy Federation Minister of Energy and Mining, Vinko Bosnjak were broken in on Thursday morning. Police could not provide more

details

FTV

- The BiH Council of Ministers fails to adopt the decision on standard quality of liquid oil fuels, since a single tax policy and procedures in the field of high tariff goods have not yet been established in BiH.
- "Current BiH Council of Ministers did not participate in selection of companies for the implementation of the CIPS project," said Anto Domazet, the Treasury Minister
- The three member presidency met in Sarajevo with the Slovene president, Milan Kucan, and discussed with him the present situation in BiH and relations between the two countries; The issue of Ljubljanska Banka old foreign currency savings was addressed but not resolved
- BiH Council of Ministers meets with President Kucan and discusses the problem of unpaid old foreign currency savings in Ljubljanska Banka

RTRS

- Kucan with BiH Presidency: BiH and Slovenia will resolve the issue of old foreign currency savings on the state level and in bilateral agreements
- BiH Parliament's House of Peoples agrees to ratify the Free Trade Agreement between BiH and Slovenia
- The BiH Council of Ministers fails to adopt the decision on standard quality of liquid oil fuels, since a single tax policy and procedures in the field of high tariff goods have not yet been established in BiH.
- Official apartments used by the chairman of the CoM, Dragan Mikerevic, deputy Minister of European Integration, Zora Marijanovic, Federation Public Prosecutor Marinko Jurcevic and deputy Federation Minister of Energy and Mining, Vinko Bosnjak were broken in on Thursday morning. Police could not provide more details