

OHR BiH Media Round-up, 2/1/2006

RADIO HERCEG-BOSNA (18,00 hrs)	TV PINK (18,00 hrs)	BHT 1 (19,00 hrs)
Day of St. Mary	<i>News not broadcast</i>	New Year celebrations in BiH
New Year celebrations in Mostar		New Year celebrations in the region
New Year celebrations in Sarajevo		New Year celebrations in the world
Regional news		Introduction of VAT started
NTV Hayat (19,00 hrs)	FTV (19,30 hrs)	RTRS (19,30 hrs)
New Year's celebrations in BiH	Introduction of VAT started	New Year celebrations in Banja Luka
Quintuple murder in Montenegro	Bread prices in Herzegovina increase	New Year celebrations in E.Sarajevo
World welcomes New Year	6 persons arrested in Zenica	New Year celebrations in Bijeljina
New Year-related customs	Woman died in car accident	New Year celebrations in Trebinje

Dnevni Avaz	[Ljajic] Arresting Mladic is now a technical issue
--------------------	--

NOTE: Due to holidays, other newspapers were not published today.

	VAT introduced in BiH / FBiH budget
--	--

<p>VAT introduced in BiH</p>	<p>RHB, RTRS, FTV – The application of the Value Added Tax [VAT] in BiH has officially started on 1 January. VAT payments would be controlled by the Indirect Taxation Administration, and experts estimate that the introduction of this tax would increase the state budget by 500 million KM. About 30.000 VAT payers have been registered in BiH. Council of Ministers Chair Adnan Terzic confirmed that all relevant institutions are ready for VAT implementation. BHT 1 by <u>Svjetlana Todorovic</u> – Bread prices in Banja Luka have already increased to 1 KM. Featured shop owners from Banja Luka said that they are forced to increase prices of basic food products, such as mil, bread and oil. Prices of other products will also be increased for 7 % in average. Authorities warn that the retailers who use the VAT introduction to make additional profit are going to be sanctioned. Since the entity Budgets for 2006 haven't been adopted yet, the planned social programs aimed at alleviating negative consequences of the VAT introduction can't be implemented. Terzic expressed hope that the entity authorities are going to adopt the Budgets in January, so that the implementation of the social programs can start in February. FTV by <u>Ivan Pavkovic</u> – "Zitopromet" bread company from Mostar increased the prices of bread to 1,10 and 1,20 KM. Drago Zelenika, Manager of "Zitopromet", explained that the prices had to be increased due to the fact that the prices of energy and oil have increased too. He announced even higher prices due to the introduction of VAT. Some private bakeries have also announced increase of prices to the VAT and higher costs of production materials. Hayat – <i>"I can't predict what is going to happen on January 1st, some uncertainty related to the transition from the common sales tax to VAT will remain. I would like to give encouragement to the people in BiH, and say that VAT would be a significant improvement to the current taxes. But I have no ability to predict how this transition period will function in BiH"</i>, commented the USAID Director in BiH Howard Sumka.</p>
-------------------------------------	--

<p>ITA Director Causevic: VAT introduction is very good for BiH</p>	<p>Dnevni Avaz pg 2 'Those 17% is for jobs and those who are 17 now', mentioned on cover 'This is very good thing for BiH' by <u>Faruk Cardzic</u> – In a statement to DA, ITA Director Kemal Causevic reiterates that in the Administration there is no fear of VAT introduction expressing full belief that what all related activities implemented together with BiH Council of Ministers are very good for BiH. Reminding that ITA has brought about 250 million KM to the state up to date, he adds that VAT would increase the investments and decrease of costs for work of legal subjects. Causevic further reiterates that political events in the country could not influence the work of ITA.</p>
<p>Tirak: FBiH monitoring team will immediately start with controlling prices</p>	<p>Dnevni Avaz pg 2 'Tirak: We are starting right now' by <u>Z. Persic</u> – Ibrahim Tirak, advisor to the FBiH Trade Minister, told DA that the FBiH Price Monitoring Team would met by the end of week and prepare the activities plan. The team established to monitor price increase of food and basic goods following the introduction of the VAT would not wait for citizens' complaints but would immediately start with the action, says Tirak.</p>
<p>Brcko District inspections control illegal increases of retail prices</p>	<p>FTV by <u>Blazica Kristo</u> – Head of the Brcko District Department for Public Security Zeljko Tanasic stated that the inspection authorities in Brcko fear that the introduction of VAT might cause embezzlements and illegal increase of retail prices. Inspection services are conducting additional controls in order to prevent these occurrences.</p>

<p>FBiH Houses: new proposal of entity budget in procedure this month?</p>	<p>Dnevni Avaz pg 4 'Government's proposal at the end of January? by <u>A. Dedajic</u> – The Speakers of the FBiH Parliamentary Houses announce new discussion on the FBiH budget in January. Slavko Matic, Speaker of the FBiH House of Peoples, says that the new proposal of budget should be in parliamentary procedure in next two to three weeks. He also expressed regret that the budget put forward by the Commission in charge of harmonizing texts of laws adopted in different versions by Houses was not adopted. He adds that the Prime Minister Ahmet Hadzipasic should meet the political parties as soon as possible in order to remove any possible obstacles to adoption of budget. The Speaker of HoR, Muhamed Ibrahimovic, says that HoR is ready to discuss new budget as soon as the Government offers it.</p>
---	---

	<p>Other issues</p>
--	----------------------------

Hayat: Defence reform is most important in last 10 yrs; budget issues should not affect salaries in Armed Forces

Hayat by Lejla Gutlic – Entity Ministries of Defence ceased to exist on Sunday [1 January], and all the authorities in the field of defence have been transferred to the state level. Hayat reporter deems the defence reform as the most important reform process carried out in BiH in the last ten years, which most of all came as he result of the good work of the Defence Reform Commission. BiH armed forces in 2006 will be financed from the state budget, in two phases: *“In the first phase, period up to August 30... all employees would be receiving same salaries as they are receiving now (in their entities). After that, the new single structure will be established, and the contracts will be signed with all the employees, so they will have the same salary regardless of the entity they come from”*, explained BiH Minister of Defence **Nikola Radovanovic**. The budget of the BiH armed forces should have been 310 millions KM. But, since BiH Council of Ministers granted only 278 millions, the rest should be made up after the re-balance of the budget. Those problems, according to Minister Radovanovic, should not affect the salaries of the members of BiH Armed Forces. *“It would not be logical to reduce salaries, because it would lead neither to better or faster implementation of the Law, nor to the improvements in BiH Armed Forces”*, stated Radovanovic.

**RTRS on lack of
law on holidays
at state level**

RTRS by Zorica Rulj – BiH still has not passed law on official holidays at the state level. Reporter comments that proposed laws on holidays were never adopted due to irreconcilable differences when it comes to BiH Statehood Day. RS feels that this date should be marked on the day Dayton Agreement was signed whilst FBiH officials advocate for 25 October or 1 March. Proposal law on holidays suggested by the SDP is currently in parliamentary procedure. Member of BiH constitutional-legal commission **Mirsad Ceman** stated that Council of Ministers is yet to propose a law that will appeal to both sides. **Vinko Zoric** from HDZ feels that such law should not provoke anyone.. Reporter concludes that a lot of time will pass before everyone in BiH celebrates same state holidays.

**Return issue:
2.3 billion KM
needed to
complete
reconstruction;
new fund for
sustainable
return to be
established**

Hayat by Zumra Arnautovic – Every year after the end of the war in BiH was marked as the Year of the Return. But, ten years after the Dayton Peace Agreement ended the war in BiH, almost 186,000 people are still waiting to return to the their pre-war houses. Hayat reporter summed up the process of return in BiH; 22,695 persons returned to BiH, and 100 millions KM were invested in the process of return during last two years. 93,4 percent of requests for the recurrence of property have been positively solved. BiH Minister of Human Rights and Refugees **Mirsad Kebo** stressed that his Ministry managed to assure the proper procedure, transparency and the complete control of the return process on a municipal level. On the other hand, the Association of Displaced Persons and Refugees President **Mirhunisa Zukic** stressed that the transparency was often questionable during last ten years, especially when it comes to the way donors' money was spent. According to Hayat reporter, one of the main problems in the field of return is the fact that returnees are often not able to realize their right to health care, work or education, which is the main reason for the unsustainable return. The Fund for Return has been formed in 2004; in cooperation with Council of Europe's Development Bank, it provided 24 million KM for the sustainable return, stated Director of the Fund for Return **Mladen Bozolic**. The sub-fund for investments that should enable returnees to start their own small business, should be introduced on January 10, 2006. **Dnevni Avaz** pg 4 'Another 2.3 billion KM needed to reconstruct houses' – Kebo announces the meeting with outgoing High Representative **Paddy Ashdown** to establish the sub-fund for sustainable return: *"There are no expectations of large sums of money, but 3-4 million KM would be enough for intervening at same places."* He adds that another 2.3 billion KM are needed to complete the reconstruction of housing units in BiH.

<p>SCG Human Rights Minister Ljajic: Mladic's arrest is now only technical issue</p>	<p>Dnevni Avaz cover splash, pg 5 'Arresting Mladic is now a technical issue' by <u>Sead Numanovic</u> – In an interview to DA, the SCG Minister for Human Rights, Rasim Ljajic announces his possible departure from all positions in the government due to removals of the SDP officials following coalition between SCG Prime Minister Vojislav Kostunica and Sulejman Ugljanin. Asked about his expectations regarding arrest of Ratko Mladic, Ljajic says that he doesn't believe Mladic would surrender adding that his arrest is now a technical issue. <i>"Very soon, national council for security is to be established which would coordinate the security services – both military and civilian – which was not the case to date... In addition, Mladic was receiving pensions until November which is huge mistake. We were assured that this is not being done, but new Defence Minister has discovered [otherwise,"</i> says Ljajic adding that both SCG Defence Ministry and Army are supporting cooperation directed at arresting Mladic. Inset 'Karadzic is also Serbian obligation' – Ljajic says that unfortunately more and more often Radovan Karadzic has been mentioned as another SCG's obligation. He information of the law being prepared by the US Congress which conditions 85 million dollars assistance to Serbia with Mladic/Karadzic extradition to the Hague.</p>
<p>Austrian Foreign Minister announces Western Balkans is one of priorities</p>	<p>Dnevni Avaz pg 13 'Balkans among priorities' – Austrian Minister of Foreign Affairs, Ursula Plassnik stated that one of the Austrian priorities during the years of its presidency over EU will be <i>"[higher level of] stability and security in the Western Balkans."</i> Plassnik added that this is in the interests of Austrians and all other Europeans, adding that she is particularly interested to see <i>"Balkans getting closer to Europe"</i> and <i>"take steps against too large bureaucratism and crime."</i></p>

<p>DA op-ed on Carty's statement: encouraging for BiH citizens</p>	<p>Dnevni Avaz pg 3 'Carty's message' op-ed by <u>Husein Orahovac</u> – Commenting the statement of now former EUPM Commissioner Kevin Carty who said that BiH is not a synonym for organized crime, editorial says this statement is encouraging for BiH citizens: <i>"This means that after the police reform is carried out we would live in much safer environment than today. Beside, other positive remarks and message publicly stated by the representatives of the international community in our court could very much help image of BiH at the global political scene."</i></p>
---	--