

# OHR BiH Media Round-up, 22/10/2004

<b>RADIO HERCEG-BOSNA</b> (18,00 hrs)	<b>BH TV 1</b> (19,00 hrs)	<b>FED TV</b> (19,30 hrs)	<b>RT RS</b> (19,30)
HoP adopted judiciary laws	SFOR search in Pale	HoP adopted judiciary laws	Towns with prefix Srpski
ICTY indictees assets	RTRS criticize RS police	Towns with prefix Srpski	Action against Makprom
Tudjman's transcripts false	Mikerevic on ICTY	359 exhumations – Prijedor	SFOR search in Pale
SFOR search in Pale	Milosevic's trial	Hercegovacka banka trial	ICTY indictees assets

<b>Oslobodjenje</b>	House of wartime RS Army commander raided into
<b>Dnevni Avaz</b>	Strong EC warning: VAT or resignation of Terzic's government
<b>Dnevni List</b>	Driving with headlights on as of October 24: Fines on the spot set at 20 KMs
<b>Vecernji List</b>	War Crimes Court established
<b>Slobodna Dalmacija</b>	Cerkez to be released before Christmas?
<b>Glas Srpske</b>	Old prices of bread
<b>Nezavisne Novine</b>	Prosecutor John McNair on investigation against Dragan Covic: It is possible to have several indictments; Jurcevic: we will ask for an international audit at Football Union; SFOR searched the house of Stjepan Koroman; "Makroprom" was producing food dangerous for health

<b>Blic</b>	Taxes on low quality juices was evaded; Alert at the Trade Union
<b>Vecernje Novosti</b>	Features Serbian related titles
<b>Belgrade's Nacional</b>	Features Serbian related titles
<b>Slobodna Bosna</b>	Exclusive: Romanced autobiography of Radovan Karadzic: Love and Hatred – As much as I loved Ljilja, I hated her Sarajevo more; Dragan Covic: I am sure I will not got to jail
<b>Dani</b>	Exclusive: Dani discover how verdict which liberated Ismet Bajramovic went missing before being reviewed by Supreme Court: Celo at large for life

War crimes/judiciary/police/legal proceedings

<p>BiH House of Peoples passes laws paving way for domestic war crimes trials</p>	<p>Herceg Bosna Radio, BHT, FTV, RTRS, <b>Oslobodjenje</b> pg 6 'Bigger authorities to the President of BiH Court', <b>Dnevni Avaz</b> pg 2 'Conditions created for war crime trials in BiH, <b>Nezavisne Novine</b>, pg. 2 'Departments for war crimes were established at BiH Court and BiH Prosecutor's Office' by <b>M. C., Glas Srpske</b>, pg. 2 'Trials at home' by <b>Srna, ONASA</b> – The BiH House of Peoples passed on Thursday a set of laws from the field of judiciary which will create possibilities for processing of cases of war crimes before domestic courts but in different texts from those passed by the House of Representatives. A proposal for the law on amendments and addenda to the law on the BiH Court, a proposal for the law on transfer of cases from the International Criminal Tribunal for the former Yugoslavia (ICTY) to the BiH Prosecutor's Office and usage of ICTY evidence in cases before courts in BiH, as well as to a proposal for the law on amendments and addenda to the law on the BiH Prosecutor's Office were passed. The House of Representatives has urgently passed proposals for these laws, namely without amendments. The Constitutional-Legal Commission of the House of Peoples passed 12 amendments to a proposal for the law on amendments and addenda to the law on the BiH Court, six amendments to a proposal for the law on amendments and addenda to the law on the BiH Prosecutor's Office and two amendments to a proposal for the law on transfer of cases from the ICTY to the BiH Prosecutor's Office. These amendments were analysed by the Legal Department of the Office of the High Representative (OHR) and were estimated as acceptable. One of the amendments foresees the separation of the War Crimes Department from the Department for Organized Crime, Economic Crimes and Corruption and from the Department for Other Criminal Acts under the jurisdiction of the BiH Court . One of the essential changes in a proposal for the law on transfer of cases from the ICTY to the BiH Prosecutor's Office and usage of ICTY evidence in cases before courts in BiH was made by the adoption of the amendment related to the issue of a sentence that an accused person served in The Hague and of a detention that could be determined for that person after the transfer of a case to domestic judiciary.</p> <p><b>Dnevni List</b>, pg 6 'Conditions for transferring of cases from The Hague have been made', mentioned on front, by <b>D. Polovina-Mandic and Ivica Glibusic</b> also reported on the adoption of the set of laws from the area of judiciary in the different text from those adopted by the BiH House of Representatives. Deputy Speaker of BiH HoP, <b>Velimir Jukic</b>, explains that the session was not supposed to address the issue of aforementioned laws, however following the talks with representatives of the OHR, <i>"we felt that the process of adoption of these laws had to speed up maximally"</i>, said Jukic. In that context, DL notes that representatives of the HDZ had a meeting with representatives of the OHR before the yesterday's session of the BiH HoP, during which they discussed the aforementioned laws. HDZ representatives denied claims of the <b>High Representative for BiH</b> that the HDZ is obstructing the adoption of the laws that would establish the war crimes department with the BiH Court. Regarding the text of law that was adopted in the BiH HoP, Jukic notes: <i>"I am convinced that the MPs in the House of Representatives are ready to adopt amendments of the House of Peoples because they are only improving the text."</i>. Apparently, one of important changes stipulates the separation of the Department for war crimes at the BiH Court and BiH Prosecution from the Department for organized crimes and corruption. Also, the role of the President of BiH Court is enhanced in sense of having an insight into the work of the Court – he/she will be assigning cases to judges, and the registrar will be running the Registry Office, but in cooperation with the President of the BiH Court.</p> <p>Similar reports in <b>Vecernji List</b>, front pg splash 'War Crimes Court established', and pg 3 'Department for war crimes in BiH being established', by <b>Eldina Medunjanin, Slobodna Dalmacija</b>, back pg 'Trials to war criminals possible in BiH in the future', by <b>B. Kristo</b></p>
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Covic: HDZ is not obstacle to war crime trials	<b>Oslobodjenje</b> pg 7 'HDZ is not obstacle to war crime trials' – Responding to HR Paddy Ashdown's criticism, Croat member of the BiH Presidency <b>Dragan Covic</b> on Thursday said that the HDZ BiH was not blocking adoption of laws that were supposed to allow war crime trials in BiH.
BiH, Croatia and SCG accept to freeze assets belonging to most wanted war crime indictees	<b>Herceg Bosna Radio, Oslobodjenje</b> pg 6 'Countries accepted to freeze asset' – BiH, Croatia and Serbia and Montenegro accepted to support the decision of Council of Europe on freezing the assets belonging to war crime suspects. According to that decision assets and all economic resources of Karadzic, Mladic and Gotovina are to be frozen apart from resources necessary for basic life needs.
OHR welcomes Karadzic, Mladic and Gotovina asset freeze	<b>RTRS, Oslobodjenje</b> pg 6 'Future depends on cooperation with The Hague', <b>Dnevni Avaz</b> pg 2 'BiH, Croatia and SCG accepted to freeze asset of war criminals', <b>Nezavisne Novine</b> , pg. 10 'They welcomed freezing of property of Karadzic, Mladic and Gotovina' by <b>Onasa, Dnevni List</b> pg 3 'OHR welcomes freezing of Karadzic, Mladic and Gotovina's assets' by <b>NINA, FENA</b> – OHR welcomes the position taken by the authorities of BiH, Serbia and Montenegro and Croatia in which they declare that they share the objectives of the Council of the EU on their Common Position on further measures, which are to support the effective implementation of the mandate of the International Criminal Tribunal for the former Yugoslavia (ICTY). Effectively this declaration will freeze the assets of the most notorious individuals indicted of war crimes and who remain at large including <b>Radovan Karadzic, Ratko Mladic</b> and <b>Ante Gotovina</b> in these states, OHR said in a press statements issued on Thursday. It is now up to the respective institutions and authorities in these sovereign states to find the mechanisms that will ensure that state policy fully supports and confirms the EU's common position, read the statement. <i>"The European future of BiH depends on its willingness to co-operate with, support and uphold the ICTY. Given BiH's tragic past it is this country that has a special interest in promoting these measures. The OHR hopes that BiH's institutions will consider taking the lead in promoting innovative measures such as this in the future, by for example, extending this asset freeze to all those indicted of war crimes but who fail to turn themselves into the authorities,"</i> said the statement.
RS cooperation with ICTY	<b>BHT, RTRS</b> – RS Premier <b>Dragan Mikerevic</b> promised again progress in cooperation with the ICTY after new warnings delivered by the High Representative <b>Paddy Ashdown</b> including possible new sanctions. Day after Ashdown's statement, officials and Ambassadors of the USA, Russia, France and Ireland visited Banjaluka. These talks finished with clear message. <i>"Of course, here should be complete cooperation with the ICTY,"</i> said <b>Henry Zipper De Fabiani</b> . The High Representative removed at the end of June 59 RS officials because lack of cooperation with the ICTY. Newly appointed RS Minister of Interior <b>Darko Matijasevic</b> stated on the occasion of taking over the duty that he is aware of the responsibility that lays ahead of him. Actions of arresting war criminals followed, but with no results. SNSD President <b>Milorad Dodik</b> said that Ashdown is obviously under pressure regarding this issue commenting on the High representative announcements of sanctions. <i>"His mandate after second failure on the BiH road towards membership in the partnership for Peace. is in question. He will not get positive marks from many of the governments that he represents here. It has to be said that part of blame for failure goes to international community and OHR,"</i> stated Dodik.

Mikerevic met with Prosper, Stevens in US	<p><b>Nezavisne Novine</b>, pg. 5 'RS authority is determined to cooperate with the Tribunal' by <b>A. Sekulic</b> – RS Prime Minister <b>Dragan Mikerevic</b> met with US Ambassador for war crimes issues <b>Pierre Richard Prosper</b>. During the meeting, <b>Mikerevic</b> stated RS authorities were determined to make a significant progress in field of cooperation with the Hague Tribunal. <b>Prosper</b> emphasised the importance of achieving concrete results in arresting of war crimes suspects, which would strengthen trust in RS institutions. RS Prime Minister <b>Mikerevic</b> also met with <b>Cathy Setvens</b>, deputy associate of a minister, on which occasion he pointed out on a contribution of RS in creating of conditions for establishing the truth and reconciliation in BiH. As an example, Mikerevic presented the relation of the authority towards the final report of Srebrenica Commission.</p>
Stojicic and de Fabiani in Police reform, Srebrenica report	<p><b>Dnevni List</b>, pg 8 'Carry out police reforms by end of year', <i>not signed</i> – The Speaker of RS NA, <b>Dusan Stojicic</b>, stated yesterday (Thursday) after a meeting with the French Ambassador to BiH, <b>Henry Zipper de Fabiani</b>, that he expected that the Police Reform Commission (PRC) would complete its job by end of this year and that a consensus would be reached without imposition of any solutions by the <b>High Representative for BiH</b>. Stojicic also noted that he and Ambassador de Fabiani concluded that the Police reform should be using experiences obtained during the defence reform process. Stojicic also expressed hope that the Chairman of PRC, <b>Wilfried Martens</b>, would inform the RS NA about the problem. Finally, the two discussed the issue of final report of the Srebrenica Commission, and Stojicic notes that both he and the Ambassador concluded the report represented a road towards the truth and reconciliation in BiH.</p>
Constitutional Court's decision on town with Serb prefix came into force	<p><b>BHT, FTV, RTRS, Nezavisne Novine</b>, pg. 3 'Names of municipalities with "Serb" prefix were changed' by <b>Srna, Glas Srpske</b>, pg. 3 'Temporary names of municipalities' by <b>Srna, Vecernji List</b> pg 4 'Eastern Sarajevo as of today' by <b>E. Medunjanin</b> and <b>Dnevni List</b> pg 4 'Municipalities and towns officially without prefix 'Serb' ' <i>not signed</i>– BiH Constitutional Court decision on temporary names for 13 RS towns and municipalities is in force as of Thursday, after it was published in the official gazette. Temporary names will be in use until RS National Assembly finds permanent solutions that are in accordance with the Constitution. Change of towns' and municipalities' names brings with it big expenditures as well, comments BH TV 1. These include change of ID's, official acts and road marks. Affected towns' and municipalities' authorities are obliged to implement this decision. Failure to respect decision will be treated as criminal offence. "All names will be valid until RS legislative authorities harmonize this law with the Constitutional Court decision," stated Constitutional Court President <b>Mato Tadic</b>. On another side, RSNA first expects local authorities' positions on new names before adoption in the NA. "We don't know how much implementation of this decision could cost or how much time would be needed for its implementation," said RSNA President <b>Dusan Stojicic</b>.</p>

SFOR raids home of Stjepan Koroman in Pale	<p><b>Herceg Bosna Radio, BHT, FTV, RTRS, Oslobođenje</b> cover page, pg 3 'House of wartime RS Army commander raided into', <b>Dnevni Avaz</b> pg 2 'Soldiers raided into house of Stjepan Koroman', <b>Nezavisne Novine</b>, cover and pg. 6 'SFOR searched the house of Stjepan Koroman' <u>by A. Sisić</u>, <b>Glas Srpske</b>, pg. 3 'They searched the house of Stjepan Koroman' <u>by V. Š.</u>, <b>Nacional</b> Belgrade daily, pg. 2 'SFOR searched the house of Koroman' <u>not signed</u>, <b>EuroBlic</b>, pg. RS8 'Search in Pale' <u>by D. Š.</u>, <b>Vecernje Novosti</b>, pg. 15 'They searched a baker' <u>not signed</u>, <b>Dnevni List</b> pg 2 'SFOR searched house of Stjepan Koroma' <u>by NINA</u>, <b>Vecernji List</b> pg 3 'They searched Koroman's house' <u>by B. Stevandić</u>, <b>Slobodna Dalmacija</b> pg 16 'Stjepan Koroman's house searched' <u>by A. Macanović</u>, <b>SRNA</b> – Members of SFOR on Thursday carried out a search of a family house belonging to <b>Stjepan Koroman</b> who is the owner of Zlatna zita bakery, SFOR spokesman <b>Mark Hope</b> confirmed for SRNA. Koroman is wartime RS Army commander suspected of being part of war crime indictees' support network. Hope said that the operation, which lasted two hours, ended at 1130 but he could not confirm whether any documents or anything else had been seized. <i>"The search was conducted in line with SFOR mandate geared at discovering any possible activities which are in defiance of the Dayton Agreement. We are checking people who are suspected of violating the rule of law by helping war crimes indictees,"</i> Hope said. He went on to say that Koroman cooperated with SFOR. He added that members of the local police took part in the operation by providing security at the scene.</p>
Interpol Fusion Task Force ends meeting in Sarajevo	<p><b>FTV, Oslobođenje</b> pg 'Operative conclusions for fighting terrorism made', <b>Dnevni Avaz</b> pg 8 'Various aspects of anti-terrorist activities considered', <b>Dnevni List</b> pg 4 'Situation in region judged as stable' <u>by D.P.M.</u>, <b>FENA</b> – A two-day meeting of the Interpol Fusion Task Force ended in Sarajevo on Thursday. Delegations from 16 Interpol member states discussed different aspects of anti-terrorism activities, including exchange of information. Deputy Director of the BiH Office for Cooperation with Interpol <b>Mirela Zanol</b> said after the meeting that special attention was paid to gathering and exchange of information on members of terrorist organisations, forged travel documents used by them and financing of terrorist groups and organisations across the world. She said that the Fusion Task Force is one of the more important programs in the fight against terrorism, which held nine meetings so far. Regional meetings for Africa, Southeast Asia, Central America and Europe were held as part of this program so far while similar meetings are planned for Central Asia and South America. Zanol said that the situation in Southeast Europe has been described as stable, but that it would be monitored constantly, just like in other parts of the world. The General Secretariat of Interpol from Lyon organised the meeting of the Fusion Task Force for SE Europe together with the BiH Office for Cooperation with Interpol.</p>

Hercegovacka Bank case	<p>FTV, RTRS, Nezavisne Novine, pg. 9</p> <p>‘Procedure against Ivica Karlovic was separated’ <a href="#">A. Durmo, Oslobodjenje</a> pg 8, mentioned on cover ‘Ante Jelavic left alone on trial’, <a href="#">Dnevni Avaz</a> pg 15, <a href="#">Dnevni List</a>, pg 3 ‘Trials to Ante Jelavic only’, mentioned on front, by <a href="#">Erna Mackic, Vecernji List</a>, pg 3 ‘Prosecutor announces new indictments’, by <a href="#">Dejan Jazvic, Slobodna Dalmacija</a>, pg 7 ‘Jelavic’s defence makes prosecutor angry’, mentioned on front, by <a href="#">Z.L.</a> – The BiH Court’s Panel of Judges decided to separate the trials to <a href="#">Ivica Karlovic</a> in the Hercegovacka bank case following an initiative by Karlovic’s lawyer, <a href="#">Marko Martinovic</a>, who was of opinion that the trials to his client could be over in two sessions and whose initiative was accepted by the Prosecutor in the case, <a href="#">John McNair</a>. As for the trials to <a href="#">Ante Jelavic</a>, second witness in the proceedings, namely <a href="#">Zlatko Bars</a>, the Director of FBiH Banking Agency, was questioned yesterday (Thursday). Among other things, Bars noted that the Hercegovacka bank was established in 1997 with 10 million KMs of initial capital, whilst the only person who was contacting the Banking agency on behalf of the bank was <a href="#">Velimir Lovric</a>. Bars also said that the Agency allowed the additional emission of stocks in 1999, the so-called recapitalization. Asked by Jelavic’s lawyer, <a href="#">Dragan Barbaric</a>, whether the Hercegovacka bank ever put in jeopardy the market in FBiH, Bars said it had not. <i>“The Banking Agency controlled the Hercegovacka bank and some flaws were identified. After that, the Agency issued orders to remove the flaws and everything was all right”</i>, said Bars. VL notes that Prosecutor McNair announced that the BiH Prosecution was preparing new indictments, which will include Karlovic, and that there would be certain ‘overlapping’ in allegations against him. SD notes that questioning of Bars made Prosecutor McNair angry, especially when Bars noted that Jelavic had no role in establishing of the Hercegovacka bank and its recapitalization. Next session is scheduled for October 25.</p>
VL says Christensen denies former HR Petritsch	<p><a href="#">Vecernji List</a>, pg 4 ‘Petritsch fell for story on 50 secret sub-accounts’, mentioned on front ‘Fabricated reasons for shutting down of Hercegovacka bank’, by <a href="#">Zoran Kresic</a> – The daily claims that <i>“the leader of OHR’s special operation ‘Athens’”, Jaakko Christensen</i>, denied claims outlined in the official decision of the then High Representative for BiH, <a href="#">Wolfgang Petritsch</a>, dated on April 6, 2001, which was used to <i>“forcibly destroy the Hercegovacka bank and big part of the Herzegovinian economy”</i> and which stated that there were 50 secret sub-accounts that were used to transfer HVO’s money onto the HDZ and the so-called Croat self-rule. VL argues that the only issue that the Prosecution is clinging onto is the issue of recapitalization of the bank. VL notes that defence claims that Prosecutor McNair does not even know what the recapitalization represents.</p>
McNair on Covic case	<p><a href="#">Nezavisne Novine</a>, cover ‘Prosecutor John McNair on investigation against Dragan Covic: It is possible to have several indictments’ and pg. 3 ‘It is possible several indictments against Dragan Covic would be brought’ by <a href="#">A. Sisic</a> – The Head of the Special Department of BiH Prosecutor’s Office for organised crime and corruption, <a href="#">John McNair</a>, has confirmed investigations the Prosecution is carrying out in the case of <a href="#">Dragan Covic</a>, BiH Presidency member, should result in bringing of several indictments against Covic. He said he could give no details in regard to the investigations.</p> <p>According to unconfirmed information, Covic might face indictments for illegal privatisations of Mostar firm “Soko” and illegal privatisation of “Eronet”. Apart from this, the Prosecution is also investigating Covic’s role in “Croat self-rule”, “Hercegovacka Banka” case and several customs embezzlements while he was at the position of the Federation of BiH Minister of finances.</p> <p><i>NW inset ‘List of suspects’ carries a list of names of persons who are suspected of embezzlement of funds from the budget.</i></p>

<p><b>SB op-ed: How Prosecutor McNair has become the top star?!</b></p>	<p><b>Slobodna Bosna</b> pgs 4&amp;5 'How Prosecutor McNair has become the top star?!' op-ed by <b>Senad Avdic</b> – SB editorial reads that Head of the BiH Court's Special department for economic crime and corruption, <b>John McNair</b>, would certainly win any possible public survey on popularity of the personalities in the any sphere of life. Stating that Prosecutor McNair certainly has deserved such status, magazine stresses that in the past few months he <i>"has become a certain symbol of justice and righteousness for local non-corrupted population, the last hope that local criminals, murders and mafia will finally be held accountable for their crimes."</i></p> <p>Author further points to McNair's determination to indicate and prosecute not 'small crooks' but to even detain the former or current highest-ranking politicians. <i>"He is looked at by all those hoping that there is still hope for BiH to be transformed to a legal state,"</i> says author adding that this is a big burden for one man to stand, however concluding that the judiciary is no-exist situation as it is ruled by corrupted, non-qualified and/or politically bias officials. Author also adds that the truth is that the quality of McNair's work has yet to be proven – stating that one cannot still estimate whether some decisions of the show his authority to be strengthened or weakened. <i>"You will not find the answer here. However, here it can be concluded that the work of BiH Court and BiH Prosecution to date has produced [so precious] psychological effect: it has been showed that nobody can run away from justice!"</i></p>
<p><b>On abolishment of immunity to high-ranked officials</b></p>	<p><b>Slobodna Dalmacija</b> pg 7 'Bills of indictment against Covic and Lijanovic as early as next month?', mentioned on cover, by <b>Z. Tulic</b> – SD says that processes against Croat member of the BiH Presidency <b>Dragan Covic</b>, former FBiH Prime Minister <b>Edhem Bicakcic</b> and former Minister of Welfare <b>Sulejman Garib</b> might start before the BiH Court as early as next month and Sarajevo Canton Prosecutor <b>Branko Sljivar</b> confirmed for SD that Prosecutor <b>John McNair</b> has already taken over court material for these cases. SD goes on to say that it was also confirmed from the Cantonal Prosecutor's Office in Mostar that they handed over to the McNair's Department the documents on many cases such as privatization of 'Soko' company, Eronet, tax evasion in 'Lijanovici' company etc. The author stresses that all these cases have been processed before the Cantonal Courts, however, everything has changed when it was approved to the McNair's department to take over processes from local courts without the approval of the BiH Court. SD also says that High Representative <b>Paddy Ashdown</b> has already passed the decision on abolishment of political immunity to high-ranked officials including Bicakcic and Covic, however, the demand for judging of such decision was submitted to the BiH Constitutional Court , which will decide on constitutionality of the HR's decision on October 30. SD also says that McNair is waiting for this decision and then he will decide on issuing of bills of indictment.</p>



<p>SB interview with Dragan Covic on accusations against him</p>	<p><b>Slobodna Bosna</b> pgs 32-35 ‘Bicakcic and I integrated Federation: Perhaps there was a bit of crime in that!’, mentioned on cover ‘Dragan Covic: I am sure I will not got to jail’, by <b>Senad Avdic</b> – SB brings an interview with member of BiH Presidency, <b>Dragan Covic</b>, following the media speculations that charges will be raised against him soon by Prosecutor <b>John McNair</b>. Commenting to the speculations that he will be removed from the Presidency’ soon, Covic says he believes that he will stay on the position until the end of this mandate and “<i>that there are no chances to see a single indictment raised</i>” against him. On Hercegovacka Bank process, Covic denies any involvement and says it would be an absurd to process him for receiving a present from a private company [commenting to <b>Miroslav Rupcic</b>’s plead of guilt to the charge that he gave Covic 50.000 KM worth car as a gift]. As for accusations related to privatization of Soko company, Covic comments that if there is a single privatization carried out in FBiH in absolutely legal way, it is Soko’s at the time he was director. He also denies accusations of financial frauds of exempting some meat importers from taxes at the time of being FBiH Financial Minister, involvement in hundreds of millions KM worth misuses through FBiH Employment Bureau, illegal privatization of Eronet, etc. As for the Croat Self-Rule case, Covic says he would not be surprised to be charged if one sees ‘a manner these charges are being brought.’</p>
<p>SB interview with Edhem Bicakcic on accusations against him</p>	<p><b>Slobodna Bosna</b> pgs 36-39 ‘Radoncic is not Avaz’s owner: He is just one of owners, former Lords of money which arrived to BiH?’ by <b>Adnan Burutovic, Mirsad Fazlic</b> – SB also brings an interview with former FBiH Prime Minister <b>Edhem Bicakcic</b>, banned from political life by decision of former High Representative, and also one of the most mentioned personalities to be possibly charged by Prosecutor <b>John McNair</b>. He denies accusations of misusing funds together with <b>Dragan Covic</b> to purchase shares of Seh-in Bank, and misuse of 2.5 million KM transferred from BiH Embassy in Vienna to FBiH Government. As for relation to IC, Bicakcic says that at time of his term “<i>there was a breakdown of nationalist policies in Croatia and Yugoslavia, and only nationalists authorities left were in Bosnia. To breakdown the nationalists parties, the IC used all means, concentrating to bring SDA down from power. As I was the protagonist of that politics, IC which supported me four years earlier [note: when he was appointed] started to mind my presence. That was the essence of political conflict in which dirty media campaign was launched against me</i>” [note: Bicakcic refers to Dnevni Avaz.] He also says that SDA has not supported him at all in 2000 and that he lived through incredible pressures of being accused for all sorts of crimes all presented in Dnevni Avaz. Asked to is the owners of Dnevni Avaz newspaper, Bicakcic responds that <b>Fahrudin Radoncic</b> is one of them, adding that if he knew who were the others many things would be much clearer to him. He concludes commenting to current situation in SDA: “<i>In SDA’s top everybody cares for themselves and their own interests.</i>”</p>
<p>SD on possible verdicts against Kordic and Cerkez</p>	<p>Slobodna Dalmacija cover pg splash and pg 7 ‘Cerkez to be released before Christmas?’ by <b>Z. Cilic</b> –SD says that although it has not been officially announced yet, verdicts to ICTY indicttees Dario Kordic and Mario Cerkez, who have been charged with war crimes committed over Bosniaks in the Central Bosnia in 1993, will be published in mid December. SD goes on to say that it is very hard to predict the sentence that will be pronounced against Kordic having in mind the fact that he was one of leading, Croat, political figures during the war. On the other hand, SD says that most probably Cerkez will be released since he as a Commander of an HVO unit was implementing decisions of Croat General Tihomir Blaskic who was sentenced to 9 years and his responsibility was much smaller than Blaskic’s.</p>

Update to police search of "Makroprom" in Banja Luka	<p><b>Nezavisne Novine</b>, cover and pg. 2</p> <p>"Makroprom" was producing food dangerous for health' by <b>D. Risojevic</b>, <b>EuroBlic</b>, cover and pg. RS8 'Taxes on low quality juices was evaded' by <b>G. Savic and M. Soja</b></p> <p>– the articles report on the search of police and inspection services of "Makroprom" firm in Banja Luka.</p> <p>"Makroprom" was closed on Thursday due to disastrous hygiene conditions. An investigation was launched against the owner of the firm, <b>Ljubomir Gladovic</b>, due to a suspicion he had evaded taxes, participated in smuggling and producing of food dangerous for health.</p>
Audit into FBiH Pension-Disability Fund detects irregularities	<p><b>Dnevni List</b>, pg 8 'Auditors cite regulations as failures', by <b>Anja Vrebac</b> – The Office for audit of FBiH budget has carried out an audit into operations of the FBiH Pension-Disability Fund for the past two years and has detected a series of irregularities. The Chairman of the Fund's Steering Board, <b>Nadir Kovacevic</b>, says the Steering Board has decided, after reviewing the audit report, that measures that should eradicate failures should be determined i.e. that measures that the Office for audit has proposed should be implemented. Kovacevic also notes that some failures have already been eliminated, however a lot of work remains to be done. Furthermore, Kovacevic argues that the Fund cannot prevent enactment of rules and regulations that could have a negative influence on the Fund's operations, since the audit report labels it as a failure. Finally, Kovacevic says the biggest problem is related to establishment of a single IT system.</p>

## Economic/social issues

<p><b>BiH HoR's Commission for finances and budget on VAT law</b></p>	<p><b>Dnevni List</b>, pg 5 'International Community does not give up from single VAT rate', by <u>Danka Polovina-Mandic</u> – The Commission for finances and budget of the BiH Parliament's House of Representatives postponed the voting on the issue of Proposal of law on VAT at its session held yesterday (Thursday). New session is scheduled for October 26, when the Commission should prepare its report. Apparently, at the yesterday's session, which was attended by Chairman of BiH Council of Ministers, <b>Adnan Terzic</b>, and BiH Finance Minister, <b>Ljerka Maric</b>, an initiative to have one single VAT rate set at 17% was launched again. Commenting on the issue, a member of the Commission, <b>Zlatko Lagumdzija</b>, said that the darkest fears from pre-election period, that the BiH CoM, the IC and domestic authorities will wait for local elections to be over and then re-introduce a single VAT rate, have come to life. <i>"It means that the single rate set at 17% will be applied on bread, milk, medicines, newspapers, textbooks, which were supposed to be taxed at zero percent rate"</i>, claims Lagumdzija. Moreover, a letter signed by the Chairman of ITA (Indirect Tax Authority) Steering Board, <b>Joly Dixon</b>, was handed over at the start of the session, in which Dixon proposed that the law on VAT be withdrawn from the parliamentary procedure in order for the Steering Board to discuss worries that have been expressed by the MPs and the public. On top of it, Dixon claims that the advantages of the VAT reform will be put in jeopardy is case the VAT law is complicated from the start with introduction of several rates. <b>Dnevni Avaz</b> pg 2 'Dixon requested withdrawal of the law from the procedure' also covered the issue.</p>
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<p><b>Dnevni Avaz:</b>  <b>EC requests</b>  <b>adoption of</b>  <b>VAT law or</b>  <b>resignation</b>  <b>of Terzic's</b>  <b>cabinet</b></p>	<p><b>Dnevni Avaz</b> cover page 'VAT or resignation of Terzic's government', pg 2 'EC requests VAT or resignation of Terzic's cabinet' – The draft law on VAT sent into the parliamentary procedure by the Council of Ministers has been for months now held hostage by a debate in the BiH Parliament, warns an anonymous European diplomatic source in a statement for the daily. "What government we are talking about when it is not able to get support by its own parliamentary majority to the version of law it had adopted," said the source.</p>
<p><b>Decision of</b>  <b>Montenegrin</b>  <b>Government</b>  <b>on Buk</b>  <b>Bijela</b></p>	<p><b>Nezavisne Novine</b>, pg. 2 'Authority over the construction of Buk Bijela hydropower plant was transferred to RS' by <u>Beta</u> – the article reports that the Montenegrin Government has transferred all authorisation in relation to the construction of Buk Bijela hydropower plant to RS authorities. Montenegrin media claim an investor and concessionaire should be selected in the next several days.</p>

## Political developments

<p><b>BiH Ambassador Dragan Bozanic banned from entering EU?</b></p>	<p>Slobodna Dalmacija pg 12 'BiH Ambassador Dragan Bozanic banned to enter EU?' by F –</p> <p>The EC delegation in BiH does not have information whether the EU passed the decision according to which A ban to enter EU countries has been abolished for newly appointed BiH Ambassador with the Council of Europe Dragan Bozanic or somebody else.</p> <p>SD also says that the EC delegation confirmed to Fena on Thursday that Bozanic was on the list of the persons who were banned to enter EU countries on the ground of the decision passed by the EU Council on September 15, 1997 . Oslobodjenje pg 7 'Bad BiH image because of the appointment of Bozanic' carried EC Spokesman Frane Maroevic's statement on the issue.</p>
<p><b>Oslobodjenje: Appointment of Bozanic to damage BiH's image in the world</b></p>	<p><b>Oslobodjenje</b> pg 7 'Bad BiH image because of the appointment of Bozanic' – After confirmation that <b>Dragan Bozanic</b>, the newly-appointed BiH Ambassador to CoE, was in 1997 put on the list of persons who were banned from entering EU because of their acting against the Dayton Agreement, High Representative <b>Paddy Ashdown</b> told the daily on Thursday that the latest appointments of Bozanic was scandalous.</p> <p><i>"This appointment represents an insolence towards EU and Council of Europe. That sends the worst signal possible when it comes to BiH's intentions to effectively deal with the war crimes issue and respect European values,"</i> said Ashdown.</p>

<p><b>SB: Diplomat Bozanic is Karadzic's electronic Goebels!</b></p>	<p><b>Slobodna Bosna</b> pgs 21-23 'Diplomat Bozanic is Karadzic's electronic Goebels!' by <u>Nidzara Ahmetovic</u> – SB's article on appointment of Dragan Bozanic to the position of BiH Ambassador to CoE outlining his biography with a focus on his position of "<i>a chief of propaganda apparatus of <b>Radovan Karadzic</b> oriented to war and crime.</i>"</p>
<p><b>Grischenko: Russia supports DPA</b></p>	<p>Vecernji List pg 3 'Russia supports Dayton' <u>not signed</u> – Russian Ambassador to BiH Aleksandar Grischenko informed RS President Dragan Cavic on Thursday that the strong political orientation of the Russian Federation is giving support to the Dayton Peace Accord, Cavic's office reports.</p>
<p><b>Dodik met with Ambassador of France</b></p>	<p><b>Nezavisne Novine</b>, pg. 8 'Failure of Paddy Ashdown' by <u>V. Popovic</u>, <b>Glas Srpske</b>, pg. 5 'Small range of great story' by <u>M. Dz.</u> – SNSD leader <b>Milorad Dodik</b> met with the Ambassador of France <b>Henry Zipper de Fabiani</b>. <b>Dodik</b> assessed that the mandate of High Representative <b>Paddy Ashdown</b> was unsuccessful and it is necessary to search for '<i>an exit strategy</i>' both for him and the international community if one wants to return the trust of citizens in OHR. He also said OHR is partly culpable for failure of reforms in BIH.</p>

<p><b>RAK on election coverage in electronic media</b></p>	<p><b>Dnevni List</b>, pg 6 'RAK on covering of elections in media', <u>not signed</u>, <b>Vecernji List</b>, pg 2 'RAK starts investigations into 41 case', by <u>eme</u> – Media coverage of the local elections was not conducted in a completely professional manner and in accordance with the Rulebook on Media Representation, stated the Communications Regulatory Agency (CRA) in its report.</p> <p>There were 41 cases opened against broadcasters in relation to the alleged breach of the Rulebook. Out of this number, 33 cases referred to content of election programme broadcast, and 8 cases were open against broadcasters, which failed to send regular reports on election programme broadcast.</p>
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<p><b>NN op-ed: Obstructionists – favourites of the international community</b></p>	<p>Nezavisne Novine op-ed pg 7</p> <p>‘Obstructionists – favourites of the international community’ by <u>Mirza Cubro</u> –</p> <p>The author starts the article by saying that although Paddy Ashdown, High Representative, has been, in various time frames, critical of three nationalistic parties in BiH (accusing them of obstruction of processes of extreme importance for BiH), he has not done anything apart from this. The author notes that nationalistic parties are actually the favourite parties of Ashdown. The author further brings examples of Almir Dzuvo and Radomir Njegus. Furthermore, <u>Cubro</u> stresses: <i>“If the international community cares to see BiH as a safe state grounded on democratic principles, the door should then open before those people, IC cannot say what to do, instead of blackmailed heads of politicians. If they cared – but everything points at the fact that various international factors have no intention to carrying out thorough and true reforms.”</i></p>
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<p><b>Miscellaneous</b></p>
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**BiH Football  
Association  
affair**

**Nezavisne Novine**, cover 'Jurcevic: we will ask for an international audit at the Football Union' and pg. 5 'Jurcevic: we will ask for an international audit' by A. Sisic – Chief State Prosecutor **Marinko Jurcevic** has confirmed that the BiH Prosecutor's Office would request for an audit of BiH Football Union business in 2002 and 2003 to be conducted. The State Prosecutor's Office has brought a request for the audit after it received information on involvement of the Union officials in crime and corruption. The main suspects are: Director of BiH football representations **Ahmet Pasalic**, Secretary General of the Union **Munib Usanovic** and Finance Secretary **Miodrag Kures**. They were also brought in a relation with **Muhamed Ali Gasi**, suspected of planting an explosive device under a car of **Amir Pasic Faca** in Sarajevo on July 25 this year. 'The Prosecutor's Office will demand that the audit is performed by an international audit service, in accordance with provisions of the Statute of BiH Football Union and it will demand from the audit service to send a report to BiH Prosecutor's Office', Jurcevic has stated. **Vecernji List** pg 25 'It has been waited for audit report' by rs,l also covered the issue.

NW inset 'Jelic: this is about an anonymous denunciation' – The President of BiH Football Union, **Milan Jelic**, issued a press release on Thursday saying that '*none of these claims is true and it will be easy to prove it*'. He claims this was an anonymous denunciation filed by individuals who are attempting to overthrow the Union since September last year. **Oslobodjenje** pg 5 'The truth to be established before court', **Dnevni Avaz** pg 5 Authorized bodies will easily establish the truth' also carried the press release. **Oslobodjenje** pgs 4-5 'Pasalic: I bought apartment, so what, is that a sin? – **Nezavisne Novine** accusations against the BiH Football Association leaders raised tensions/temperature in the premises of the Association on Thursday. Answering to a large number of phone calls, Director of the BiH National Football Team **Ahmet Pasalic** and Association's General Secretary **Munib Usanovic** were decisively rejecting all the accusations on alleged office misuses and other irregularities within the Association. **Dnevni Avaz** pg 5 'Lies about me launched by those working giants BiH National Team for years' carried interview with Pasalic in which he denied all the accusations publicised in NN.