

OHR BiH Media Round-up, 23/8/2004

RADIO HERCEG-BOSNA (18,00 hrs)	BHT 1 (19,00 hrs)	FED TV (19,30 hrs)	RT RS (19,30)
Storm in Herzegovina	Increase of oil prices	Journalists vs. Njegus	Journalists vs. Njegus
Polt on Mladic arrest	TI report on Srpske Sume	Graffiti in Tuzla	Increase of oil prices
Journalists vs. Njegus	Mostar City Administration	Polt on Mladic arrest	Objections to Buk plant
Disposal of old drugs	Storm in Herzegovina	Land slides in Kladanj	Export/import report

Oslobodjenje	Oil gets more expensive, and soon [price will increase] again
Dnevni Avaz	Now, we are partners with States; FTV and BHT owe 8 million KM for taxes?; Mirnes Ajanovic reminds of criminal and no- people oriented SDP's reign
Dnevni List	Arrests in health sector: Doctors in jail soon
Vecernji List	Cyclone wrecks Herzegovina
Slobodna Dalmacija	Features Croatia related headlines

Nezavisne Novine	Although growth of petroleum prices was stopped at the world market: More expensive fuel in BiH as of today; 13,000 people signed a petition against the construction of "Buk Bijela"; BiH Coordination of Journalists' Associations: To initiate procedure of removal of RS Police Director; The decision on sending of BiH troops to Iraq set Terzic and Tihic at variance
Glas Srpske	Nightmare in Kosovo; Mrkonjic Grad: a bear wrecked a BMW
EuroBlic	Money laundering: penalties up to 200,000 KM; 5,000 people renounce their citizenship each year; Half of Semberija was left without electricity

	Economic affairs and issues
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**Oil prices to
increase**

Oslobodjenje cover page 'Oil gets more expensive, and soon [price will increase] again', pg 3 'Today the price of oil increases' by S.H. – As of today, price of oil in FBiH will be 6 pfenings more expensive. **Muhidin Alic**, the President of the Federation of BiH Section of Petroleum Distributors explained that the reason was a rapid growth of oil price at the world's market. This is the second increase of prices in past 20 das. Alic also says that it is possible that new price growth will be introduced next week.

Nezavisne Novine, cover 'Although growth of petroleum prices was stopped at the world market: More expensive fuel in BiH as of today' and pg. 3 'More expensive fuel in BiH as of today' by P. Klincov – NN writes that although the price of crude oil slightly dropped at the world market on Sunday, Alic says this would not stop the growth of retail prices at gas stations.

RTRS – Zdravko Milovanovic, Assistant RS Energy Minister, says that the oil prices will go up in RS next week as well. He added that the launch of Brod refinery production would reduce the chance for often fluctuation of prices in RS. RS Government expects that the refinery should start working at the end of September this year.

BHT 1 – BHT 1 says that according to the economic analyses, growth of oil prices will present a direct attack on the life standard in BiH, which will be further worsened by the non-existence of a single energy policy in BiH and its great dependence on import.

Vukasin Vojnovic, Chairman of RS Association of Oil Distributors said that prices are increasing every week, adding that distributors in RS and FBiH avoided some of the increases however they can't be held anymore.

**BHT 1 on
irregularities
in Srpske Sume
and RS AMS**

BHT 1 by Zoran Popovic– According to economic experts in RS, misuses of office and wrong management of forestry industry in the last eight years has caused a damage to budget worth a billion KM. Journalist comments that the corruption in this industry is mostly present in public company, example of which is “Srpske Sume”. Transparency International, grounded on a tip from citizens, recently submitted a report to the RS Prosecutors and the international auditor on crime related activities in this company. Spokesperson for the Transparency International, **Srdjan Blagocanin** said that the report also includes mention of the lack of single counting register which would include the information on all cut wood. State’s Institutions have been informed about this, but to date no concrete action was undertaken. TI’s report also indicates irregularities in the RS Automobile Association [AMS] when it comes to spending finances. Blagocanin said that means weren’t spent transparently, as governing board did not have an insight into spending as AMS was basically ‘privatised’ by certain individuals. General Director of RS AMS, **Brano Subotic** however rejects such claims stating that finances were spent in accordance with the plan. Transparency International also noted that they weren’t able to establish the cooperation on fight against corruption with the Office of the High Representative, as OHR said it was not authorized for this issue.

<p>Petition against the construction of “Buk Bijela” hydropower plant</p>	<p>Nezavisne Novine, cover '13,000 people have signed the petition against the construction of “Buk Bijela”’ and pg. 2 ‘BiH CoM on the construction of “Buk Bijela” soon’ <u>by D. Risojevic</u> – Approximately 13,000 signatures against the construction of “Buk Bijela” hydropower plant on Drina river have been collected upon an initiative of “Durmitor” National Park. Montenegrin Assembly will discuss the “Declaration on protection of Tara” in October, as according to Branislav Radulovic, the Head of the Office of the President of the Parliament. BiH CoM says they have received an official request of Prime Minister Dragan Mikerevic to enter negotiations on signing of a contract on the construction of “Buk Bijela” with Montenegro. Adnan Terzic, BiH CoM Chairman, says the discussion will take place after Minister return from their vacations.</p> <p>RTRS – RS Prime minister Dragan Mikerevic said that ecological study has not yet been finished to answer the question whether petitioners were right.</p>
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<p>BHT 1 feature on Agrokomerc company</p>	<p>BHT 1 – For the first time after the war a financial audit is conducted in Velika Kladusa's company "Agrokomerc". Existing debt reaches 74 millions KM and new management faces new obstructions. Its chance for revitalisation and privatisation lies with the OHR and the World Bank experts, as WB issued a bid for consultant services to lead the company through privatisation process.</p> <p><i>"Agrokomerc is very important for Velika Kladusa, very important for BiH and it is one of the FBiH Government strategic projects",</i> stated FBiH Prime Minister, Ahmet Hadzipasic, adding that after BH Steel, a priority for the government will be to analyse existing situation and possibilities to begin with the production in Agrokomerc. BHT 1 says that the outcome of the audit will be known at the end of this month, after which Agrokomerc could face with the affair and protests of 1300 workers that haven't received their salaries for 17 months.</p> <p>Oslobodjenje pg 14 'After BH Steel, priority is Agrokomerc' by Fena – also carries Hadzipasic's statement.</p>
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<p>RS Tax Administration faces problems in collecting debts</p>	<p>RTRS – RS Tax Administration has collected only less than 10% of a total sum of companies' tax debts. Out of 220 million KM worth taxed owed by 2404 companies, only 21.4 million KM have been collected. The biggest debtors are companies Darko Promet from Banja Luka which owes over 16 million KM, than Extra Trgovina Laktasi with a debt of over 10 million KM, Aleks Petrol from Bijeljina with 8 million KM and Kikerevic Komerc from Trnaca with also over 8 million KM of debt. Administration says that there are no ways to collect the debt since the owners have no property to confiscate. Ljiljana Forca, spokesman of RS Tax Administration says that the owners made huge profits in a very short time, after which they disappeared leaving only debts. Most of such the companies now are fictitious. Forca says that pressing charge against such companies would not do much for the debt, however says that putting owners of these companies behind bars would reduce this trend. <i>[NOTE: FBiH Tax Administration warned of the same problem with collecting about 538 million KM of debt; see Weekend Brief for 21n22 Aug]</i></p>
<p>FBiH Tax Administration: Companies fail to honour financial obligations</p>	<p>Dnevni List, pg 9 'Unpaid taxes worth millions', by <u>Anja Vrebac</u> – According to the FBiH Tax Administration, in first six months of 2004, 2 billion KMs of taxes were collected in the FBiH, which is an increase of 13,5% when compared to 2003. However, companies failed to pay in 538.202.000 KMs, and the estimate is that the companies will not be able to honour about 50% of their obligations since they are not solvent. The biggest debts are recorded mostly by state-owned companies in the Tuzla , Herzegovina-Neretva, Zenica-Doboj and Sarajevo cantons.</p>

**DL on possible
arrests in
health sector
over corruption**

Dnevni list, cover page & pg 5, 'Doctors in jail soon', by De. L. – DL has learnt from a source close to **Novka Agic**, Director of FBiH Health Insurance Fund, that the FBiH Prime Minister **Ahmet Hadzipasic** will soon request Ms. Agic and **Tomo Lucic**, FBiH Minister of Health, to launch investigation into Mostar-based Herzegovina-Neretva Canton Health Insurance Fund over allegations of corruption. The investigation might focus on a number of doctors (**Mladen Boskovic** from Stolac, **Zlatko Matic** from Ljubuski etc.) who are suspected of issuing permits and referral slips for medical treatment outside the canton and outside the country for money. It is said that the investigation would also include **Pero Milanovic** and **Rade Bosnjak**, the former Fund Directors. The allegations are that all the mentioned people have also acquired wealth in a suspicious way. DL notes that it could not get any response on the issue from any responsible persons due to possibility that statements could influence the investigation.

<p>DA speculates FTV and BHT failed to pay 8 million KM of taxes</p>	<p>Dnevni Avaz pg 2 'FTV and BHT owe over 8 million KM for taxes?', mentioned on cover, by <u>Ad. H.</u> – DA writes that <i>"instead of paying special attention to control of financial business and the ways in which citizen's money collected for the mandatory subscription, debts in a form of unpaid taxes and contributions keep to grow."</i> DA says it learns from reliable source that control of all TV stations is being completed these days, and it is already obvious that the biggest debtors are FTV and BHT. Avaz's sources says that neither of these two has paid 8 million KM of taxes and contributions in the recent past. <i>"These financial results would could finally open the issue of responsibility of leading FTV and BHT people,"</i> reads the article reminding that FTV Council Chairman Slavo Kukic has already been mentioned in negative context in last year's independent OHR audit report on HT Mostar [as he was in capacity of its chairman of governing board]</p>
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<p>CoM prepares new privatisation concept</p>	<p>Nezavisne Novine, pg. 5 'Fast sale of firms from entire BiH' by <u>M. Cubro</u> – Experts of the World Bank will at the beginning of September present a new concept of privatisation to BiH authority. The concept will practically represent a fast sale of attractive firms, as a collocutor from BiH CoM has confirmed for NN. <i>'The aim is to finish the privatisation as soon as possible and to sell firms that represent 'a healthy part' of BiH economy'</i>, the collocutor claims. Adnan Terzic, the CoM Chairman, confirms that the World Bank has sent its experts to BiH upon his request. <i>'Our goal is to accelerate the privatisation, finish this story once and for all and initiate a development'</i>, Terzic said. He also said that the new concept, most probably, would not mean establishing of new state institutions for privatisation or enacting of new laws.</p>
<p>Results of sugar affair investigation in September</p>	<p>Dnevni List, pg 4 'Report on sugar smuggling in autumn', <u>not signed</u> – the EU's Anti-fraud Office (OLAF) will complete its report about alleged sugar smuggling in BiH by either the end of August or in the beginning of September, and only then one will know whether the allegations were true or not, learns DL from the EU in Sarajevo.</p>
<p>VL against taxing of books</p>	<p>Vecernji List, pg 2 'Disgraceful tax on books', by <u>Radoslav Dodig</u> – carries an op-ed in which the author calls the Draft law on VAT in BiH, which is to tax books at 17% rate, a disgrace. Dodig argues that when Croatia was introducing the VAT, the Croatian media went against the Government's proposal to tax the books, noting that many European countries are applying a 0% VAT rate on books and scientific publications.</p>

	<p>Political issues</p>
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<p>SNSD wants Banja Luka to become RS capital</p>	<p>Oslobodjenje pg 3 'Banja Luka as RS capital' by <u>Fena</u>, Dnevni Avaz pg 4 'Banja Luka should be RS capital', Dnevni List pg 5 'Initiative to turn Banja Luka into capital city', by <u>M. B.</u>, Nezavisne Novine, pg. 10 'New initiative on having Banja Luka as RS capital' by <u>Srna</u>, Glas Srpske, pg. 2 'Banja Luka as the capital' by <u>N. T.</u> – SNSD Vice-President Krstan Simic announced that next week his party will reinitiate proposal for amending RS Constitution to make the city of Banja Luka the capital of the RS before the RS National Assembly. Simic told a press conference Sunday that absolute victory of the SNSD in the local elections in the city of Banja Luka would once again provide strong support for that initiative, adding that the parties that which had obstructed it on previous occasions would have to accept their defeat. <i>"Prior to the elections, SDS and PDP will open this issue in a bid to gain a few more votes, and, once again, they will deceive the citizens of Banja Luka, since those two parties are the only obstacles for Banja Luka to become the capital,"</i> said Simic. Efforts taken by the SDS and PDP, in cooperation with SDA are, according to Simic, directed at making Sarajevo the capital of the RS, since Sarajevo hosts common institutions while more and more entity competencies are being transferred to it extinguishing a need for Banja Luka as RS capital.</p>
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**Update to
Stolac flag
incident**

Dnevni List, pg 3 'Mahmutcehajic family stands behind incidents in Stolac', mentioned on front, by Miso Relota – the Head of Municipality of Stolac, **Zeljko Obradovic**, confirmed the news that flags of the Croat people in BiH, which were forcibly removed from the poles downtown Stolac last week, had been put back three days ago. The flags were in fact put back by members of the HSP BiH Dapic-Jurismic, as confirmed by its leader in Stolac, **Zarko Pavlovic**. Apart from the Croat flags, a BiH State flag is flying between the Croat flags too. Obradovic argues that the citizenry of Stolac do not approve of actions of the Youth Forum in Stolac, which removed the Croat flags, believing that the Forum's actions are being orchestrated in Sarajevo. Questioned to explain as to who is behind those actions, Obradovic believes that certain prominent Stolac families are in fact behind the actions, foremost the families of **Rusmir Mahmutcehajic** and his sister **Amra Hadzimuhamedovic**. Obradovic also noted that the Youth Forum was close to the Party for BiH, but it did not enjoy the support of the Bosniaks in Stolac. He added if the incidents were to repeat, he would organize protests in whole of the canton.

Dnevni Avaz pg 2 'Dizdar: We will again take flags of so called Herceg Bosna from masts in downtown' by F. Vele – DA comments that the Stolac 'flag issue' is expected to spark again next week, especially since the members of Youth Forum have again been taking Herceg Bosna flags posted on masts in downtown. The Chairman of this Forum, **Nerin Dizdar** says that they will ask authorized institutions to help with this issue, adding that if authorities failed to do so the Forum will again take them down. He also accuses members of the Herzegovina-Neretva Canton police to check on flags from time to time after they have been put up again.

<p>BHT on restructuring of Mostar City Administration</p>	<p>BHT 1 by <u>Angela Cvitanovic</u> – Next week Mostar’s City Council must adopt the plan for systematization of jobs in the City Administration and its internal organization. According to this plan about 300 current staff members will stay without jobs. Representatives of the Union of employees of the City administration will meet tomorrow and discuss the possibilities of social care for redundant workers, stressing they are not satisfied with the current plan as it doesn’t include such social measures. <i>“The first thing that must be done is to adopt the systematization and [to ensure] people occupying most responsible jobs are competent,”</i> said Senior Deputy High Representative, Werner Wnendt. Second step are local elections in October, when new Major and City Council will be selected. According to new Statute, the Major will not be elected directly, but from the City Council (which has 15 Croat, 15 Bosniak, 4 Serb and 1 Deputy from “the others”). <i>“Election of the Major will be an object to vetting procedure, according to standards, which means that there cannot be record of crime, obstructions of Dayton’s Agreement and or being investigated against by ICTY,”</i> said Werner Wnendt. He stressed international community will not tolerate any obstructions in implementation of the Statute.</p>
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<p>NN: Decision on sending of soldiers to Iraq set Tihic and Terzic at variance'</p>	<p>Nezavisne Novine, cover and pg. 5 'Decision on sending of soldiers to Iraq set Tihic and Terzic at variance' by <u>M. Cubro</u> – According to a collocutor close to the top of SDA, Adnan Terzic and Sulejman Tihic, CoM Chairman and Presidency Chairman respectively, have been in a conflict for months now. The source claims the conflict has escalated on Friday, during a session of SDA Presidency, on which occasion Terzic voted against sending of BiH soldiers to Iraq. <i>'I voted against the conclusion that supports the decision of BiH Presidency on sending of our soldiers to Iraq. Nevertheless, majority of my party colleagues have supported this decision and it will be implemented'</i>, Terzic stated and rejected any claims that this is about a conflict between him and Tihic. Terzic claims they have different stances in relation to some issues but he says there are no conflicts.</p>
<p>DA int with BiH Ambassador to US: we are in partnership now</p>	<p>Dnevni Avaz cover page 'Now we are partners with US', pg 5 'Impression that US Administration is not interested in BiH is wrong' by <u>Fadil Mandal</u> – In an interview to DA, BiH Ambassador to USA, Igor Davidovic talks about relations between two countries, stressing it is entirely wrong to think that current Administration is interested in BiH. <i>"Quality of our bilateral relations has been improved, this is more of the partnership relations between two countries. Previously, BiH was more in a position of protege,"</i> says Davidovic stressing US sees BiH as the countries in process of economic, political and social reconstruction with its own fully operation institutions.</p>

**Voice of
America report
on US
interests in
the Balkans**

Nezavisne Novine, pg. 6 'Unfinished business in the Balkans is in the centre of relations between EU and USA' by VOA – The two US Presidential candidates, **George Bush** and **John Kerry**, have different approaches to resolving of the Balkans issue. **John Halsman**, an associate with the "Heritage Foundation" Research Centre, says: *'Under Bush's administration, the attention of USA was directed towards four new priorities: Iraq, Iran, North Korea and Al-Q'aida. The Balkans has completely lost its importance. The Bush's administration is talking about Europeisation of the remaining Balkans issues in which the leading role would be transferred to EU and local authority. The role of United States in this is to provide with a support'*. Halsman thinks that **John Kerry** might change such a tendency and return to the policy of greater engagement of the States. **James Ruben**, John Kerry's advisor on foreign politics and former associate to the Secretary General during Clinton's mandate, says that Kerry would, if elected President, pay greater attention to the Balkans: *'Kerry's advisors say he would keep the existing level of American military presence in the Balkans. He would also focus on integrating of this region to Euro-Atlantic institutions and would treat the Balkans as a valid part of Europe and not as a suburb of the European continent'*. Analysts agree that as long as US is military engaged in Iraq and Afghanistan , its interest in areas such as the Balkans will be quite limited.

<p>Mikerevic visits Serbia, talks to Deputy PM Labus</p>	<p>Dnevni List pg 5 'Dragan Mikerevic in official visit to Serbia', by <u>NINA</u> – The RS Prime Minister, Dragan Mikerevic, on Sunday met with the Serbian Deputy Prime Minister, Miroljub Labus, discussing the current political and economic issues of the region. They exchanged experiences of BiH and Serbia and Montenegro in the process of getting closer to the EU, foremost in the area of enactment of reform laws. It was agreed to intensify future cooperation in that perspective. PM Mikerevic also met with the leader of the Orthodox Church in Serbia, Patriarch Pavle, Speaker of the Serbian Parliament, Predrag Markovic, and the Chief of Serbia and Montenegro Army's HQ, Lt-Gen Branko Krgo.</p>
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	<p>Police issue</p>
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<p>Journalists answer to Njegus</p>	<p>RHB, FTV, RTRS, Oslobođenje pg 6 ‘ Njegus would put journalists in jails’ by Fena, Nezavisne Novine, cover ‘BiH Coordination of Journalists’ Associations: To initiate procedure of removal of RS Police Director’ and pg. 6 ‘To initiate procedure of removal of Radomir Njegus’ by V. Popovic – BiH Coordination of Journalists’ Associations condemned the Friday public address of RS Police Director Radomir Njegus and invited the authority of entities and BiH to initiate a procedure of removal of Njegus. <i>‘While accusing journalists and editors of Nezavisne Novine and RTRS by saying they are state enemies and by sending them to ‘a jail or mental hospital’, Radomir Njegus has publicly declared his opposing to freedom of press in a manner that is not suitable for a state official at such a high and responsible position and he has violated all democratic and civilisation values’, the Coordination claims. The Coordination reminds this is not the first time Njegus has attacked journalists in RS.</i></p>
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	<p>War crimes</p>
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<p>US Ambassador to SCG: 'American patience on Karadzic and Mladic arrest expired 'yesterday'</p>	<p>RHB, FTV, RTRS, Oslobođenje pg 4 'No trade for Ratko Mladic's extradition' by Fena, Dnevni Avaz pg 3 'Deadline for extraditing Mladic was -yesterday' by Fena, Dnevni List pg 3 'Polt: American patience on Karadzic and Mladic arrest expired 'yesterday'', Nezavisne Novine, pg. 5 'Washington is not giving up from Karadzic and Mladic' by Srna – Us Ambassador to Serbia and Montenegro, Michael Polt, stated that there is a 'strong determination' of US to see Radovan Karadzic and Ratko Mladic arrested.</p> <p><i>"SCG recently reiterated their determination to fulfil its international obligations and we count on [SCG] to fulfil them,"</i> stated Polt in an interview to Politika. He rejected speculations that Washington was prepared to end the work of the ICTY in a case some of the indictees are not arrested by 2008, when the Tribunal's mandate ends. Polt also denied that US administration reached an agreement with SCG allowing SCG to prosecute 4 of its generals for war crimes before the domestic courts in case Mladic is arrested. Polt concluded that a deadline for Mladic's arrest and extradition 'was yesterday.'</p>
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<p>Zubak on Herceg Bosna war documentation demanded by ICTY</p>	<p>Vecernji List, pg 5 'Minister Kristo does not know where Herceg Bosna's archives are', by <u>Ana Drmac</u> – carries an interview with the President of NHI and former senior official of Herceg Bosna, Kresimir Zubak, in which he talks about the issue of wartime documents of Herceg Bosna, which have been requested by the ICTY Prosecution. Zubak says: <i>"I believe that Minister Kristo (Borjana Kristo, the FBiH Justice Minister) is telling the truth that she does not know where the Herceg Bosna archives are. As a former President of Presidency of Croat Republic of Herceg Bosna(HR HB), a new body that was formed sometime just before the signing of the Washington agreement, I can confirm that we had the registry established. But, it never took over the documentation of the then Croat Community of Herceg Bosna nor the documentation from the Office of President of HR HB, Mate Boban, which stayed in Grude even after the new body moved to Mostar. What happened to it and to documents that were in possession of the HVO and Defence Ministry, I really do not know".</i></p>
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<p>NN int with Sofit on BiH lawsuit against SCG</p>	<p>Nezavisne Novine, pg. 4 'BiH will win the case against Serbia' by <u>N. Krsman</u></p> <p>– In a page-long interview to NN, Sakib Softic, the legal representative of BiH in the lawsuit of BiH against SiCG, expressed his opinion that BiH will win the case against SiCG and only then claims for compensation of damage can be brought. He says the main problem he and his team are facing is a lack of money, since the state institutions are not financing this lawsuit.</p>
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