OHR BiH Media Round-up, 25/7/2006

RADIO HERCEG-BOSNA (18,00 hrs)	**TV PINK** (18,00 hrs)	**BHT 1** (19,00 hrs)
CoM in session	Butler on the Law on Rights of MPs	Karadzic and Mladic still on run
Butler on BIH HoR MPs	Postponed voting on the CoM Law	Explosion in Trebinje
Serifovic on income tax	Exhumations in Kamenica continue	Explosion in Sarajevo
BIH HoR Human Right Com in session	Exhumations in Zavidovici continue	Bank robbery attempt in Sarajevo

NTV Hayat (19,00 hrs)	**FTV** (19,30 hrs)	**RTRS** (19,30 hrs)
Explosion in Sarajevo	PDHR on rights and duties of MPs	Fire in Gacko
OHR on Law on rights/duties of MPs	No discussion on visa regime	Bosniak caucus withdraws demand
High unemployment rate in BiH	Telecom privatisation	Joint ITA account to be de-blocked
RS telecom privatization continues	Mothers of Srebrenica demand list	Butler ’s appeal to BIH HoR

Oslobodjenje	No mentioning politics in religious sermons [Islamic Community]
Dnevni Avaz	Will Nicholl please RS demands? [ITA SB session]
Dnevni List	New raids in MoI (DL feature on investigations into Canton 7 MoI)

Vecernji List	Split : Mysterious death in port (Croatia related story)
Slobodna Dalmacija	Posusje take away title from Siroki (football story)
Nezavisne Novine	Entities close to agreement on distribution of VAT
Glas Srpske	Production for export (RS Min Jelic opened new section production at Ljubija Factory of industrial explosive)
EuroBlic	“Telekom” can be sold
Vecernje novosti	Features Serbian related topics

Rights and duties of MPs; Establishment of new Ministries

PDHR Butler urges BiH HoR to reject draft Law on Rights and Obligations of MPs	**FTV** by Zeljko Tica – At the press conference held on Monday in front of the BiH Parliament building in Sarajevo, Principal Deputy High Representative, **Larry Butler,** urged BiH House of Representatives MPs to reject the draft Law on Rights and Obligations of Parliamentarians, that is to be discussed on Tuesday's session. Butler reminded that BiH still waits for adoption of Law on Higher Education, Law on Pharmaceuticals, Law on Obligations, Law on State Banking Supervision. Instead of these, noted Butler, MPs decided to discuss the Law on Right and Duties of MPs in the last parliamentary session before the summer break. "*The proponents of this law come from a broad range of parties, from SDA, SDS , SBiH, HDZ 1990, and DNZ, as well as independent delegates*", noted Butler, adding that, when it comes to major reforms, it is difficult to achieve such cross-party cooperation, but in this case, cooperation was achieved easily. The draft Law on Rights and Obligations of MPs regulates pensions for former deputies of 1,500 KM and more. **RHB** – Butler invited MPs to put the interests of citizens in front of their own interests. Reporter added that OHR issued a plan for adopting seven laws of high priority but it seems that BIH parliamentarians will only adopt the Law on Duties of MPs.**Hayat** – "*They found time to work on this law, but found no time to work on other laws. I am not the only one disturbed by this fact and I hope that parliamentarians are going to bring the right decision and reject such solution*", said Butler. **RTRS**, **Dnevni List**, pg 2 'Appeal to citizens: use your authorities', by D. P. Mandic – PDHR Butler was asked whether the High Representative would use his powers should the MPs enact the law in question, to which he replied: "*This is not the area in which the HR uses his powers, but you have your powers you could use on October 1* (PDHR probably referring to October elections), *if this is adopted, because you will have to live with consequences what he Parliament does or does not*". **PINK,Vecernji List**, pg 2 'Butler: reform laws are more important than your privileges', by Dejan Jazvic, **Nezavisne Novine** pg 4, announced on cover 'To reject Law on additional privileges' by M.Cubro, **EuroBlic** RSpg 3 'Listen to your voice' by SRNA, **Dnevni Avaz** pg 9 'Butler begs parliamentarians not to pass the law on priviledges' by L.Sinanovic, **Oslobodjenje** pg 2, mentioned on cover 'Law on benefits of MPs is scandalous' by A.Omeragic, also covered.

BiH HoR to discuss draft Law on Rights and Obligations of MPs on Tuesday	**BHT1** by Anesa Prasljivic – SDA, SDS, SBiH, HDZ 1990, DNZ and several independent delegates in BiH Parliament proposed the draft Law on Rights and Obligations of Parliamentarians, which should be discussed by BiH House of Representatives on Tuesday. If adopted, this law will enable pensions for former MPs in amount of more than 2,000 KM, which is eight times more that average pension of university teachers. Independent delegate **Mladen Potocnik** believes that this law is positive, because it will introduce consequences for MPs who fail to do their job. SDP leader **Zlatko Lagumdzija** stated that SDP is not going to vote for this law because it is immoral, and it is not economically or politically justified. SBiH deputy **Beriz Belkic** believes that, considering the social situation in the country, it is not serious and politically justified to come out with proposal of such law. If BiH HoR and BiH House of Peoples adopt this law, it will become valid. Reporter commented that in this case, BiH citizens will have to cope with it. **Hayat** – Belkic says that the draft law does not foresee increase in MPs' salaries but a number of other benefits, especially in terms of pensions, but that he would not support it: "*I think that we should wait for Law on Justice to be passed and bring things in line with economic-social circumstances in BiH.*" Featured citizens said that salaries to BiH MPs should not be increased, being already extremely high.
GS says Law on rights and duties of delegates "*pushed*" onto agenda	**Glas Srpske** cover pg report 'Privileges according to chibouk' by Z.Domazet – Regarding today's session of the BiH Parliamentary Assembly' House of Representatives, which is to discuss the Law on rights and duties of delegates, daily notes that this Law was "*pushed*" onto session agenda regardless of severe public critics. Daily brings extracts from the Law, as well as statement of PDHR **Lawrence Butler,** appealing to Parliament members not to adopt the Law.

BiH CoM did not adopt amendments to Law on CoM which foresee establishing two new Ministries	**BHT1** by Damir Simic – At the session held on Monday, BiH Council of Ministers failed to adopt the amendments to the Law on CoM, which would enable establishing of two new state Ministries, Ministry of Agriculture and Ministry of Science. Currently, BiH CoM consists of three Bosniak Ministers, three Croats and four Serbs. According to BiH Constitution, BiH CoM must have equal number of Ministers from all three peoples. RS Ministers say that they are not against the establishing of new Ministries, but they demand exact determination of authorities of the new Ministries, because entity Ministries for agriculture and science will continue existing. BiH Minister of Transport and Communications **Branko Dokic** said that so far, there has always been a consensus to establish two new Ministries through the constitutional changes. However, stressed Dokic, a proposal on authorities of the new Ministries hasn't been filed yet. BiH CoM Chair **Adnan Terzic** explained that the Law on CoM determines only the list of Ministries, but it doesn't regulate their duties and authorities. In the second phase, amendments to Law on Ministries and governmental bodies would determine the authorities and obligations of the new Ministries. Associations of farmers welcomed the initiative for establishing of state Ministry of Agriculture, but they don't expect too much from it. **Sead Jelac** from BiH Association of farmers said that the proposed amendments foresee only a coordinating and harmonisation role of the new Ministry, which is a disappointment in the eyes of farmers. EC also welcomes the initiative for establishing of the new Ministries, because they would enable access to the EU funds, which is currently impossible. **PINK**, **RHB**, **Hayat**, **RTRS**, **FTV, Dnevni List**, pg 5 'Discussion on new ministries postponed', not signed, **Vecernji List**, pg 5 'Ministries still on hold', by Dejan Jazvic, **Glas Srpske** pg 3 'About new ministries after consultations' by SRNA, **Nezavisne Novine** pg 3 'Voting on two new ministries postponed again' by M.Calso covered.

CoM Chair Terzic: Serb Ministers have by Thursday to declare on expansion of CoM	**Dnevni Avaz** pg 2 'Serb Ministers have until Thursday to declare', mentioned on cover 'I rejected Dokic's proposal' by T.Lazovic– In regard to failure of Council of Ministers to pass the law on expansion of the CoM, CoM Chair **Adnan Terzic** told DA that Serb Ministers have until Thursday to "*conduct consultations and see with the working group what would be the frame of work of two new ministries*". "*In any case, at the following session, we will vote on the law, using the procedure according which the over-half majority is necessary in the CoM, regardless to ethnical background of ministers,*" said Terzic, adding that Serb Ministers have until then to get the approval to vote on the law.
EC supports introduction of two new ministries in BiH CoM	**Dnevni Avaz** pg 2 'European Commission supports new ministries' by T.L.– Delegation of the European Commission is supporting the introduction of two new ministries in Council of Ministers. EC Spokesperson **Frane Maroevic** confirmed this for DA, saying: "*Systematic overview of administration for agriculture sector has recommended establishment of state ministry and we have positive stance about that.*" He emphasised the importance of environment ministry, considering that largest part of EU legislative is in the sector.
DL op-ed: Constitutional changes will not happen even after elections, RS does not want to let go entity authorities	**Dnevni List**, pg 2 'New Constitution does not need RS (in it)', by Resad Dautbegovic – the author argues that the issue of changes to the BiH Constitution, which has taken the back seat at the moment, will not be solved after the October elections, arguing that the RS authorities will not allow any subordination of the entity bodies to the state ones, which will exclude possibility of reaching an agreement. Dautbegovic reckons that the only hope is the Americans "*considering that the rest of the European international community talks a lot, but acts little*". The author goes on to say that all politicians from the RS are doing everything not to have police at state level, without which there is no getting closer to the EU, in the same time wondering whether the HR, **Christian Schwarz-Schilling** can "*punish destroyers of state of BiH before he leaves* (referring to shutting down to OHR probably) *thus giving the peoples an opportunity for better life*". (the comment does not mention abolishment of RS as suggested in the headline).

GS op-ed says regime of OHR is "*the last dictatorship in Europe*"	**Glas Srpske** op-ed pg 2 'The last dictatorship in Europe' by Nenad Kecmanovic – The author starts the column by saying if Bosniaks, Croats and Serbs have failed to identify modus of a joint life before the war, then it means there will be nothing from BiH as a state. He stresses that there is no democracy that can keep peoples, who do not want that, under one roof. The only way to achieve it is by use of force, author says. He underlines some western analysts have viewed the regime of the Office of the High Representative as "*last dictatorship in Europe*", adding this is something BiH has already seen since it has not lived otherwise than "prison of peoples' for a half millennium already.
Survey in RS shows 62% of interviewees are for same criteria for Kosovo and RS	**Dnevni List**, pg 7 'Same criteria for Kosmet and RS', not signed – according to a survey conducted by 'Partner' agency in several RS towns/cities on sample of 2000 interviewees, 62% of interviewees believe that the same criteria should be applied on Kosmet (Kosovo and Metohija) and RS. Other survey shows that 67,9% of interviewees believe BiH is heading into wrong direction. Furthermore, 58% are in favour of police reform, whilst 66% of interviewees say the RS MoI must survive. 51,3% are happy with the work of police.

Privatisation of telecom operators

Joint Comm. of RSNA and RS CoP approves special privatisation programme for RS Telecom: Bosniak Caucus at CoP withdraws VNI initiative	**BHT1** by Boris Gagic – On Monday, Joint Commission of RS National Assembly and Council of Peoples decided that RS Government can proceed with the special program for privatisation of RS Telecom. Bosniak Caucus at RS CoP withdrew the request for protection of vital national interest related to privatisation of Telecom after RS Government promised to allocate part of privatisation profits for Bosniak returnees and former Telecom employees who lost their jobs in 1992. The joint commission also decided that part of the profit needs to be invested in pension funds and different development projects. RS National Assembly Speaker **Igor Radojicic** said that RS Government now can start with the tender procedure for privatisation of RS Telecom. Head of Bosniak Caucus at RS CoP **Ramiz Salkic** stated that by expanding the privatisation program, RS Government satisfies the forms requested by Bosniak Caucus. Financial advisors assessed the value of Telecom in amount of €340 million. RS Government announced earlier that only offers of at least €400 million for 65% of state capital are going to be considered. **Hayat** by ATV – "*The RS Government is advised to include in the program means which should be allocated to pension system reform, stimulus and subventions, development programs and projects, special programs on war veterans, disabled persons, youth, refugees and returnees*", said the Head of the Joint Commission Radojicic.**Glas Srpske** pg 3 'Green light for "Telekom"' by D.Momic – daily carries Radojicic saying RS Government is obligated to deliver a Programme on privatisation within 30 days after the contract with buyer of "Telekom" is signed. **Nezavisne Novine** pg 3, announced on cover 'Privatisation of "Telekom Srpske" de-blocked' by V.Popovic – Speaking of Bosniak demand that term "civic war" is omitted from privatisation programme, Salkic has said that RS CoM has no legal basis to suggest "*certain things*" to Government. **RTRS, PINK, Dnevni List** pg 6 'Agreement on sale of Telecom' unsigned, **EuroBlic** cover splash, RSpg 2 '"Telekom" to be sold' by Tijana Veselinovic, **Dnevni Avaz** pg 12 'Bosniak are pleased, privatization of Telecom Srpske de-blocked' by H.Orahovac, **Oslobodjenje** pg 6 'Unblocking of RS Telecom privatization agreed' by O.V., _also covered.

FTV: RS PM Dodik doing everything to complete privatisation of RS Telecom ASAP; in FBiH, SDP in difficult position: voting against BH Telecom's privatisation means supporting Dodik	**FTV** by Sanjin Beciragic – Commenting the fact that Bosniak Caucus at RS Council of Peoples withdrew the request for protection of vital national interest regarding privatisation of RS Telecom after reaching a compromise with RS Government, reporter said that the agreement between Bosniak Caucus and RS Government proves that RS Prime Minister **Milorad Dodik** is trying hard to complete privatisation of RS Telecom before the privatisation of BH Telecom. According to FTV's sources, Dodik has already found a buyer, although the real value of RS Telecom is far below the price set by RS Government. At the same time, FBiH Government hasn't even adopted the decision on models of privatisation of telecom operators. The official stance of FBiH Government regarding privatisation of BH Telecom should be known by the end of this week. According to FTV sources, SDA and HDZ will support FBiH Government's proposal [note: media speculated the Government plans to sell 51% for over 650 million Euros], and SBiH will play a game of tactics. FBiH Minister of Energy, Industry and Mining **Vahid Heco** said that the situation created by the RS Government has forced FBiH to consider the privatisation of BH Telecom. SDP will be in a difficult position. If SDP votes against privatisation and get outvoted, it will face criticism from majority parties, who will accuse SDP of voting in favour of Dodik. FBiH Minister of Finance **Dragan Vrankic** believes that 10% of profit gained through privatisation should be invested in an early payment of bonds compensating the old foreign currency saving deposits. FBiH Government plans to invest part of the profit in construction of Corridor 5-C. However, reporter notes that it remains to be seen which telecom operator will complete the privatisation first, and how that privatisation is going to impact the value of others. Beciragic underlined that the arrangement between RS Government and Bosniak Caucus means million loses for FBiH telecom operators.

CoM Chair Terzic returns proposal BiH Policy on Telecom. Sector for being too general on privatisation process	**Dnevni Avaz** pg 2 'Serb Ministers have until Thursday to declare', mentioned on cover 'I rejected Dokic's proposal' by T.Lazovic– In a statement for DA, Council of Ministers Chair **Adnan Terzic** said that he returned the proposal on amending the BiH Telecommunications Sector Policy prepared by the BiH Transport and Communication Minister, **Branko Dokic**. He explained that while the proposal has referred to the privatisation of the telecom operators in BiH, it failed to present the process as anything more than "*general, without accepting reality in which one telecom is already in privatization process*". Terzic explained the proposal reads that the CoM supports privatization conducted by the entity governments. "*However, it is obvious this is not the case here, that one government is rushing into privatization, while the other hasn't even chose the model of privatization,*" said Terzic. He said that Dokic was to obtain opinions of entity governments "*to see if everything is in accordance with the Dayton*".

Elections 2006

BiH CEC verified 770 candidates' list and 7280 candidates	**Hayat**, **FTV**, **Nezavisne Novine** pg 6 '510 candidates disputed' by N.Krsman, **Vecernji List**, pg 2 'Decision on final verification of lists of candidates taken', by F – Daily reports that the BiH Central Election Commission (CEC) Monday verified 770 candidates' lists and 7280 candidates, including candidates for BiH Presidency and previously verified independent candidates. According to **Maksida Bajramovic,** BiH CEC Spokesperson, political subjects, who are not satisfied with this decision can demand re-examination of the decision within two days time after they information. According to her, the candidatures of **Ilijaz Pilav** from Party for BiH for the position of BiH Presidency from RS was rejected, as well as candidatures of **Bozo Rajic** from Coalition HDZ 1990-HSS and **Slavko Pivasevic** from SDS, since they were not registered. **Oslobodjenje** pg 4 'Verified 770 lists and 7,280 candidates', **Dnevni Avaz** pg 11 'Rozo Rajic cannot be candidate on elections' by L.S. – CEC spokesperson confirmed that candidacies of **Bozo Rajic** [Coalition Croat Unity] and **Svetlana Cenic** [DEPOS] are rejected, for they have not been CIPS registered. Covered by RS press.

Islamic Community on Mufti Ceric's criticism of Bosniak politicians: Comm. forbids bringing up politics in sermons, but sometimes it has a right to react	**Oslobodjenje** cover splash 'No mentioning politics in religious sermons', pgs 4-5 'Mentioning of politicians is forbidden in religious sermons' by S.Hodzic – Leader of Islamic Community in BiH, **Mustafa e**ffendi **Ceric**, has refused to further comment his statements in addressing about 5000 Bosniaks gathered for opening ceremony of Glamoc mosque on Saturday when criticized Bosniaks political leadership [stating they either have no "*ideals*" or "*do not go further from their own or interests of narrow circle of their associates and friends*", and called on politicians "*not to sell our honor for petty benefits*"]. Asked by daily who were politicians he talked about, Ceric only answered: "*I've said all that I wanted!*". Commenting the Glamoc speech, head of Ceric's Cabinet, **Muharem** effendi **Hasanbegovic**, said the Community has taken a stance before last elections and forbid promoting any party, as well as mentioning of parties and politicians in religious sermons in mosques. However, Hasanbegovic explained that Islamic Community has a right to react if human rights of Muslims are violated in "*political race*", thus Ceric's criticism. *"Who are those politicians? Are they leaders of SDA and SBiH who lead severe verbal war in last couple of days? Or they are some other Bosniak politicians of low rank? It is obvious we will never get the public answer from the Reis,"* concludes Hodzic and added that since he become Reis in 1993, Ceric never answered such a question.

Daily op-ed: No one should be surprised with Reis' early campaign, since he would change his stance few more times before elections	**Oslobodjenje** pg 9 'Reis' pre-election campaign' op-ed by Senka Kurtovic– Commenting on speech of mufti Islamic Community **Mustafa** Effendi **Ceric** during the opening of mosque in Glamoc on Saturday, Kurtovic comments that Reis has once again used his function and "returned to the position of political commissioner". The only difference here, as Kurtovic comments is the fact that he didn't speak in favor of SDA, since it is obvious that SDA leader **Sulejman Tihic** was the one that Reis criticized. Kurtovic stresses that Reis' early political campaign shouldn't be surprising, since he "*talked*" to SBiH leader **Haris Silajdzic** in time of constitutional changes talks, after which returned to Tihic, then again to Silajdzic and so on. Stressing that this is not unusual for Reis and that he would change his stance a few more times before elections, Kurtovic ends: *"It shouldn't be forgotten that Ramadan is in time of pre-election campaign and Mosques and religious speeches, long time ago, became the place from where political messages are being sent. All for Bosniaks' unity!"*.

SDA Vice President Izetbegovic: coalition is possible with almost every major party; SBiH should fight like gentlemen	**Dnevni Avaz** pg 5 'I invite SBiH not to push us away' Z.P. – Daily carries summary of SDA Vice President **Bakir Izetbegovic**'s interview for 'Kontragard' show on TV ALFA. Izetbegovic denied speculations that SDA leader **Sulejman Tihic** and SDP leader **Zlatko Lagumdzija** already agreed 'post-elections coalition'. Commenting that coalition is possible with SNSD, SDS, HDZ, HDZ 1990, SBiH and SDP, Izetbegovic stressed: "*Lot of things depend on SDP and SBiH in this pre-elections period. Our natural ally is SBiH, and I invite it not to push us away. They should be careful with spoken words, they should fight like gentlemen and without low punches., for they would push us away*."

GS op-ed commendable of RS President Cavic	**Glas Srpske** op-ed pg 2 'Destiny shuffling cards' by Tomo Maric – The authorwrites about **Dragan Cavic,** RS and SDS President, who has, according to author, acknowledged his political engagement in the light of the following phrase: *"The path without obstacles does not lead anywhere!"* Bringing extracts from Cavic biography, Maric is actually commendable of Cavic, saying he has taken over a great responsibility in passing several hard decisions that more "bury" than collect political height to politicians. Hearby he refers to defence reform, "truth about Srebrenica" on which Europe and America insisted, stressing that he himself and RS have profited from these. The author says it is far more important for RS and its people that Cavic has been more successful as RS President than SDS President. According to Maric, as President, he has demonstrated determination and maturity by proposing **Milorad Dodik** RS Premier, regardless of opposition by SDS. The headline refers to potential election results Cavic may achieve, on which author says the sole handicap to Cavic may be he has been on power for far too long.

Allocation of revenues from VAT account

RS Fin Min Dzombic and ITA SB Chair Nicholl both optimistic today's session of ITA SB will reach solution on coefficient' distribution	**Nezavisne Novine** cover splash, pg 3 'Entities close to agreement on distribution of VAT' by D.Risojevic – After Monday's meeting with **Milorad Dodik,** RS Premier, and **Aleksandar Dzombic,** RS Finance Minister, Chair of ITA (Indirect Taxation Administration) Steering Board **Peter Nicholl** stated he is an optimist regarding the Tuesday's session of ITA SB and agreement on allocation of revenues, saying entities may reach agreement since differences have been reduced to minimum, and "*we are close to agreement".* NN learns that RS could today get 31% of VAT resources, which is 1.3% more than last month. RS Finance Minister has stated that agreement has been reached to agree on temporary coefficients for certain period that will be used until an analysis for the legal solutions related to the fixed coefficients is made. Dzombic is an optimist today's session of ITA SB will reach solution on coefficients, expressing satisfaction that Chair Nicholl has a different and more realistic approach to work of ITA SB than previous Chair. **Glas Srpske** pg 3 'A step to agreement' by D.Vrhovac-Mihajlovic, **EuroBlic** RSpg 3 'Soon compromise on distribution of VAT resources' by R.Radosavljevic, – also reports.

DA speculates ITA SB Nicholl to "please" demands of RS and approve 31.5% coefficient for this entity	**Dnevni Avaz** cover splash 'Will Nicholl please demand of the RS?', pg 2 'Nicholl will propose for the RS to get 31.5%?' by T.Lazovic – In eve of Tuesday's session of Indirect Taxation Administration Steering Board, DA learns that discussion would be entirely focused on allocation of public revenues from ITA single account as entities are not receiving revenues for months due to RS demand to set fixed allocation coefficients. DA learns ITA SB Chair **Peter Nicholl** would suggest SB to adopt a decision on temporary allocation of the revenues according to which the RS would get 31.5%, exactly the amount demanded by the RS Finance Minister **Aleksandar Dzombic**. According to Nicholl's proposal, FBiH would receive about 66% and Brcko District would have to give up on some of its means. Nicholl proposal foresees calculation of the average spending and VAT payments which would be a basis for eventual return of some revenues to the District or FBiH. DA unofficially learns that **OHR** sees this proposal as acceptable and in line with current laws. However, DA stresses that it is not certain that all ITA SB member would accept this. One of ITA SB members from FBiH **Haris Basic** told DA that he will not support anything that is not in line with current laws. Inset 'FBiH cannot go below 66%'- FBiH Finance Minister **Dragan Vrankic** told daily that he has no information about Nicholl proposal. "*It is possible for temporary decision to be passed again, but for the RS not even the temporary coefficient can be 31.5%…FBiH cannot accept lower coefficient then 66% and I still claim that allocation should be conducted in line with the law and based on established revenues,*" said Vrankic.

CoM Chair Terzic: "Nicholl has prepared rotten compromise'	**Dnevni Avaz** pg 2 'Serb Ministers have until Thursday to declare', mentioned on cover 'I rejected Dokic's proposal' by T.Lazovic– Inset 'Nicholl prepared rotten compromise'- In a statement for DA, Council of Ministers Chair **Adnan Terzic** commented the possible proposal by ITA Steering Board Chair **Peter Nicholl** [of giving 31.5% to RS, with possible settlements] prepared to solve problems with allocation of revenues by saying: "*Peter Nicholl has prepared a compromise, but a rotten one*". Terzic said he would demand solution is in accordance with the Law and that model is not determined in period of two-three months.

ITA SB Chair Nicholl writes BiH parliament; passing of changes to Law on VAT would endanger future work of ITA SB	**Dnevni Avaz** pg 4 'Changes of the Law on VAT are serious threat to ITA SB' by T.Lazovic– As DA learns, Chair of Indirect Taxation Administration Steering Board **Peter Nicholl** has sent a letter to BiH Chair of both BiH Parliaments Houses, warning them that changes to Law on VAT cannot be passed without approval of ITA SB. Letter was sent because BiH House of Representatives, during its Tuesday's session, would discuss changes to the Law on VAT. Three proposals for amending the Law were submitted [two from SDS and one from SDP] and all should be discussed in urgent procedure. Nicholl stressed that none of these proposals were approved, or even discussed by ITA SB. He explained that this would represent "*a serious threat to future work of ITA SB*", since transfer of authorities from entities to the state was made under condition that no changes of the law could be passed without approval of ITA SB. If any of proposals would be passed on Tuesday, Nicholl warns hat BiH HoR would violate the Law it passed, stressing that these changes "*would be easily revoked at the BiH Constitutional Court*". Inset 'Two accounts again?'- As DA learns, RS Finance Minister **Aleksandar Dzombic** warned BiH Parliament that transfer of authorities to the state would be questioned if changes to the Law would be passed without ITA SB approval. DA stresses that such development would make demands of RS Prime Minister **Milorad Dodik** possible, since he asked for establishment of two account, by which the whole tax reform would be set back. **Glas Srpske** pg 3 'A step to agreement' by D.Vrhovac-Mihajlovic – also carries Nicholl. Daily says the BiH Parliamentary Assembly has six additional amendments to Law on VAT, that were not cleared by ITA SB.

War crimes, security and police issues	
Media mark 11th anniversary since indictment vs Karadzic, Mladic	**BHT1**, **Hayat**, **RTRS**, **Glas Srpske** pg 4 'Useless Hague search' by BETA– daily reminds today is 11 years since the ICTY has pressed charges against **Radovan Karadzic,** former RS President, and **Ratko Mladic,** former Commander of RS Army HQ, bringing information related to SFOR actions, actions by OHR regarding removals of people aiding war crime suspects and akin. **Vecernje Novosti** pg 12 'Karadzic is "invisible", Mladic is "uncatchable" by not signed
Explosive device went off in front of house of Bosniak returnee to Trebinje area	**BHT1, Dnevni List**, pg 2 'Bomb thrown at house of returnee', not signed – As Trebinje Public Security Centre reported, an explosive device exploded on Saturday night in village of Gornje Grancarevo near Trebinje, in front of a house of a Bosniak returnee, one **Izet Arnautovic**. There were no casualties or damages. Trebinje Imam **Husein Hodzic** claims that recently, there have been many incidents and provocations against Bosniak returnees and Bosniaks who have come to spend their holidays in Trebinje.

DL: Another raid of Canton 7 MoI re alleged illegalities after two raids did not reveal any evidence?	**Dnevni List**, front pg splash and pg 3 'New raids in MoI', by N. Dedic – learns from a source close to the FBiH Interior Ministry (MoI) that members of the FBiH MoI could be raiding the Herzegovina-Neretva Canton MoI one more time after they have raided the HNC MoI twice since November 8, 2005. DL reminds that in November 2005 and January 2006, the HNC MoI was raided when the FBiH MoI, at the order of the BiH Prosecution, tried to recover information on alleged illegalities committed by the HNC MoI related to payments of people who did not work for the HNC MoI, purchase of official cars and other illegalities. According to DL's information, the two raids did not recover any significant evidence, which could be the reason for a new raid.

VL: OHR's experts at UN HQ trying to find solution for de-certified police officers	**Vecernji List**, pg 2 'OHR's experts looking for solution in America', by Eldina Medunjanin – according to VL, several hundred of decertified BiH police officers (decertified by the UN) are anxiously waiting for the return of OHR's experts from the UN HQ in New York, who are trying to find a solution for the de-certified police officers. According to an OHR spokesman, **Mario Brkic**, *"it is clear the UN has to take the leading role in any process of revision related to their mandate"*. On the other hand, the de-certified police officers say should the visit to New York not produce desired results, they are ready to pursuit the justice in court even if it means pressing charges against the UN.

BiH HoR Commission for Human Rights supports changes to Law on BiH Citizenship proposed by BiH CoM	**FTV** – BiH House of Representatives' Commission for Human Rights, Immigration, Refugees and Asylum gave its support to the changes to Law on BiH Citizenship proposed by BiH Council of Ministers. According to the proposed changes, naturalised citizens whose citizenship was annulled by Commission for revision of citizenships are not allowed to request citizenship based on naturalisation in period of five years after their citizenship was initially annulled. **RHB, Hayat, Dnevni List**, pg 3 'Changes to Law on citizenship supported', by D. P. M., **Vecernji List**, pg 4 'Citizenship that is taken away can be requested after five years', by F, **Oslobodjenje** pg 3 'New request only after five years' by FENA – also covered.
Commission to adopt agenda at its Tuesday's session?	**Dnevni List**, pg 6 'About program of Commission today', not signed, **Oslobodjenje** pg 2 'Adoption of agenda is expected' by S.R. – **Ivica Marinovic**, Head of Commission to investigate suffering of Serbs, Croats, Jews, Bosniaks and others during the war in Sarajevo, told he expect working agenda to be adopted at Tuesday's session of the Commission. He stressed that adoption of the agenda is precondition for the issue of financing to be discussed.

OHR BiH Media Round-up

Latest radio news broadcast at 12.00 on July 25, 2006

RADIO HERCEG-BOSNA (12,00 hrs)	**BH Radio 1**(12,00 hrs)	**RTRS** (12,00 hrs)
Israeli-Hezbollah fighting continues	Mandic pleads not guilty	Mandic pleads not guilty
14 years since massacre in Brisevo	BiH HoR on citizenship audit	ITA SB in session in BL
FBiH, BiH Parliaments in session	FBiH HoP rejects pardon law	RS PM Dodik visiting England

TV news broadcast on July 24, 2006

RADIO HERCEG-BOSNA (18,00 hrs)	**TV PINK** (18,00 hrs)	**BHT 1** (19,00 hrs)
CoM in session	Butler on the Law on Rights of MPs	Karadzic and Mladic still on run
Butler on BIH HoR MPs	Postponed voting on the CoM Law	Explosion in Trebinje
Serifovic on income tax	Exhumations in Kamenica continue	Explosion in Sarajevo
BIH HoR Human Right Com in session	Exhumations in Zavidovici continue	Bank robbery attempt in Sarajevo

NTV Hayat (19,00 hrs)	**FTV** (19,30 hrs)	**RTRS** (19,30 hrs)
Explosion in Sarajevo	PDHR on rights and duties of MPs	Fire in Gacko
OHR on Law on rights/duties of MPs	No discussion on visa regime	Bosniak caucus withdraws demand
High unemployment rate in BiH	Telecom privatisation	Joint ITA account to be de-blocked
RS telecom privatization continues	Mothers of Srebrenica demand list	Butler’s appeal to BIH HoR

Oslobodjenje	No mentioning politics in religious sermons [Islamic Community]
Dnevni Avaz	Will Nicholl please RS demands? [ITA SB session]
Dnevni List	New raids in MoI (DL feature on investigations into Canton 7 MoI)
Vecernji List	Split: Mysterious death in port (Croatia related story)
Slobodna Dalmacija	Posusje take away title from Siroki (football story)
Nezavisne Novine	Entities close to agreement on distribution of VAT
Glas Srpske	Production for export (RS Min Jelic opened new section production at Ljubija Factory of industrial explosive)
EuroBlic	"Telekom" can be sold
Vecernje novosti	Features Serbian related topics

LATEST NEWS OF TODAY	
BiH Court: Mandic pleads 'not guilty' to war crimes charges	**RHB**, **RTRS** – In an arraignment hearing before the preliminary judge of the BiH Court, **Momcilo Mandic** plead not guilty to all charges of war crimes against civilian population (committed in 1992) contained in the indictment. **BH Radio 1** – Mandic is indicted for war crimes over civilians during the period he was RS Interior Minister and Justice Minister later on. Mandic denied all four counts of the indictment, stressing that he is not guilty and that he will prove it during the trial. (Mandic is also being tried for alleged illegalities committed by Privredna Banka Serb Sarajevo)

BiH HoR in session, MPs discuss several items/laws, most attention dedicated to Law on rights and duties of MPs	**BH Radio 1** – By Mustafa Karahmet– BiH House of Representatives is in session today and although MPs have many items on the agenda, most of the attention is dedicated to the Law on rights and duties of MPs, which regulates obligations, salaries and retirement conditions of MPs. Karahmet stresses that even though today's session is the last session before the collective vacation, some of reform laws were taken off the agenda without any explanation to MPs or to journalists. Such is the Law on Higher Education and proposal of amendments to the Law on Citizenship. The latter was taken off with explanation that 48hours, foreseen by the procedure and foreseen for submitting of amendments, haven't expired. Only one additional article should be included into this Law. This article regulates that naturalized citizens whose citizenship was abolished do not have right to apply for citizenship again, before deadline of five years expires. USA Embassy to BiH has objected this Article, trying to, as Karahmet said, impose its stance, where no one whose citizenship is taken away doesn't have right to apply again. After marathon procedure, BiH HoR has rejected proposal Law on Higher Education, which was proposed by SDS MP **Momcilo Novakovic.** This proposal wasn't in accordance with demands of Council of Europe and Bologna Declaration. The Law on Higher Education, which was proposed by Council of Ministers is also in the procedure. In continuation of the session, MPs should discuss the Law on rights and duties of MPs, to which BiH public and OHR have severely objected. (briefly reported by **RHB**)

FBiH HoP rejects Law on pardon; discusses amendments to Law on Privatization	**BH Radio** 1 – By Lejla Colpa– At today's session, FBiH House of Peoples has rejected Proposal of law on pardon. Currently, the FBiH HoP is discussing amendments to the Law on Privatization, which was proposed by FBiH Government. Presenting the Law, FBiH Energy, Industry and Mining Minister, **Vahid Heco** stated that this law (amendments that is) would help unblocking of privatization process and would help in privatization of large systems. This law foresees sale of state capital through the stock market. During today's session MPs should vote on the Proposal of law on lowest hourly wage and Proposal of law on Income tax. (briefly reported by **RHB**)
Entity Finance Minister hope solution for distribution of revenues from single account will be found	**RTRS** – reports that Finance Ministers of RS and F BiH, **Aleksandar Dzombic** and **Dragan Vrankic** respectively, expect that agreement will today be reached regarding temporary coefficients for distribution of resources and hence de-block ITA single account. ITA SB (Indirect Taxation Administration Steering Board) is in session in Banja Luka, discussing distribution coefficient. Prior to SB's session, Dzombic stated that the amount of BAM 230 million is now blocked on single account. Commenting on amendments to Law on VAT on agenda of today's session of the BiH House of Representatives, Dzombic stated the message of the ITA SB is clear that amendments cannot be forwarded to parliament procedure without assent or recommendation of the ITA. Vrankic said that the formulation stipulating temporary or provisional coefficient must be identified, in order to determine constant coefficient in the future for distribution of resources.

RS PM Dodik departs for UK	**RTRS** – RS Prime Minister, **Milorad Dodik,** has today left for a visit to Great Britain, where he will meet the British senior officials, including **Geoffrey Hoon**,UK Minister for Europe.

Political Developments

BBC: Western powers in Contact Group hinted at independence of Kosovo, under close international supervision, as likely solution	**PINK, BHT1, FTV, RTRS, Dnevni Avaz** pg19 'Between total independence and basic autonomy of Kosovo' not signed, **Oslobodjenje** pg 12 'If negotiations fail the Security Council will make the judgment' by Fena, **BBC News** 'No breakthrough at Kosovo talks'- Talks between ethnic Albanian and Serbian leaders on the future status of Kosovo have failed to produce a breakthrough. "*Belgrade was willing to give everything but independence and Pristina wanted nothing but independence,*" UN Special Envoy for Kosovo, **Martti Ahtisaari** said. BBC comments that these are the first talks on Kosovo status since NATO bombing in 1999, underlining that there was no handshakes and that Serbian Prime Minister **Vojislav Kostunica** declined to go to a joint lunch with Kosovo Delegation. Commenting how different stances of two Delegations are, BBC quotes Kosovo President **Fatmir Sejdiu** saying, "*the will for independence cannot be ignored, or negotiated away in talks*". "*Independence is the alpha and omega, the beginning and end of our position,*" Seijdu said, according to a copy of his speech. On the other side, PM Kostunica rejected the demand, saying that Belgrade could offer "*substantial autonomy*" instead. He said Serbia "*cannot accept the creation of a separate state on 15% of its territory*". Ahtisaari said after the talks that it "*is evident that the two sides are quite apart*". Analysts claim that Ahtisari is under pressure of Western powers to produce a deal by end of the year, since they believe that uncertainty over Kosovo might destabilize the region. BBC analysts also say that since the 90% ethnic Albanian majority are insisting on independence, which has been seen as a possible pointer of the kind of settlement that may emerge from the diplomatic process and add that Western powers in the Contact Group have hinted at independence, albeit under close international supervision, as a likely solution. **New York Times, International Herald Tribune, Guardian, Times, Washington Post, Wall Street Journal** – also carry articles dedicated to the negotiations.

EU Ministers postponed discussion on liberalization of visa regime for Western Balkans	**BHT1** – Despite of all expectations, EU Ministers of Justice and Interior have postponed the discussion on liberalization of visa regime for Western Balkans countries scheduled for Monday. Brussels explained that the draft framework of negotiations, which will be conducted with each country separately, is going to be determined later. Before discussing the issue of visa regime liberalisation at the political level, it first must be discussed by different EU task groups. Advisor Minister of BiH Mission with the EU **Milos Vukasinovic** explained that the Western Balkans Task Group is going to discuss this issue on July 27th and later in September. According to Vukasinovic, the plan for liberalization of visa regime might be adopted by the end of next year. **FTV** – Debate on relaxation of visa regime for BiH citizens cannot be expected earlier than in fall, since the police reform in BiH hasn't been completed yet. EU Ministerial Council approved the mandate for start of negotiations on Stabilisation and Association Agreement with Montenegro and a changed mandate for negotiations with Serbia. **Dnevni Avaz** pg 2 'On visas in October' by S.N., also covered
Oslobodjenje op-ed: BiH authorities caused unfavourable visa regime by granting citizenship without criteria	**Oslobodjenje** pg 9 'Hostages of our own state' by Dragan Stanojlovic – Author notes the optimism BiH politicians are displaying regarding easing of the visa regime before the end of this year is unfounded. Instead, he believes, the current problems faced by citizens having BiH passports only will go on for years, which means a continued isolation for the citizens. The reason Europe does not recognize the BiH passport as a valid travel document lies in the '*incomprehensible lack of seriousness with which BiH authorities and diplomatic offices issued BiH passports in past years*'. Author ends his editorial by saying there are two main tasks BiH authorities need to accomplish to get alleviation of the visa regime: conduct an audit of granted citizenships and implement police reform. *'Only then can BiH citizens expect to stop being hostages of the politics of their elected leaders.'*

VL: EPP invites HDZ BiH to take part in some of its boards, HDZ's status still unclear	**Vecernji List**, pg 2 'EPP invited HDZ to its institutions', by Zoran Kresic – reports that the European Peoples' Party (EPP) has formally invited the HDZ BiH to take part in its several boards come autumn this year, however VL notes it is not clear whether the ivitation also means that HDZ BiH's status within the EPP is 'unfrozen'. (EPP 'froze' HDZ BiH's status of an observer in EPP because of criminal proceedings currently conducted against its leader **Dragan Covic**, pending outcome of trials, or if the party elects a new leader)
Oslob op-ed: Dodik is the new Milosevic-kind of leader who will be hard to match after elections	**Oslobodjenje** pg 9 'Raise of the new leader' op-ed by Zija Dizdarevic – Commenting the "*unseen rise*" of SNSD and its leader **Milorad Dodik**, editorial reads that logic of the Dayton Peace Agreement [DPA], which did not favour creation of democratic, pro-European block, as well as attitude of International Community and ethnic division within state, helped Dodik to have such dominant position ahead of the forthcoming elections. Author notes that according to UNDP survey, about 31% of BiH citizens [67% in RS] would support Dodik in the October elections. Dizdarevic notes that Dodik's talk of referendum, which came after "*IC did not succeed in achieving a single significant goal*" and after SBiH managed to undermine adoption of constitutional changes, actually was the key issue in his way towards present situation. Author concludes: "*Those who say that Dodik will be better after the elections, they have to know that he will be immeasurably stronger than today. Dodik, the new Milosevic-kind of leader, now appears as someone no one could match.*"

Elections

HDZ 1990 press conference: Party received support for programme from Croatian authorities	**RHB**by Ilijana Azinovic – At the press conference held in Mostar on Monday, commenting the registration process for the October elections, HDZ 1990 leader **Bozo Ljubic** said that his party reached a consensus with other Croat parties from the Coalition Croat Unity and put on the lists for all levels of the authority capable candidates that are highly respectable. Ljubic stated that in this way HDZ 1990 sent a message that their priority is to discuss all major reforms in the BIH Parliament. Among other issues, Ljubic noted that the party has recently held numerous meetings with representatives of the international organisations, primarily with OHR and OSCE. *"We discussed the police reform and constitutional changes. We also met with senior officials of the Republic of Croatia, including the Croatian President, Prime Minister and Croatian Parliament Speaker, we informed them on the difficulties for Croat people in BIH. We also informed them on our programme, for which we received support from all of them,"* said Ljubic. **Dnevni List** pg 4 'I am not Covic's man' by Dario Pusic – Ljubic answered accusations coming from **Zvonko Jurisic** of HSP Djapic-Jurisic (that he is leader of HDZ BiH **Dragan Covic's** man) by saying 'his statement is nonsense used by marginal parties.' **Nezavisne Novine** pg 4 'Constitutional reforms after elections' by J.G. – Ljubic stated: *"After elections, we must – first of all – resume talks on constitutional reform and police reform".* **Dnevni Avaz** pg 11 'Strongest names for the State Parliament, where all major reforms will be discussed' by F.Vele, **Oslobodjenje** pg 7 'Quality people on lists' by FENA, **Slobodna Dalmacija** pg 9 'We will run in elections with good people' by F also covered

Jurisic of HSP Djapic-Jurisic denies he will give up running for BiH Presidency in favor of HDZ 1990's Ljubic	**Dnevni List** pg 7 'Ljubic proposed to Djapic that I should give up' by Dario Pusic – In his party's press conference, **Zvonko Jurisic**, President of HSP Djapic-Jurisic, commented on media speculations that he might give up running for the seat of the Croat member in BiH Presidency in favor of [HDZ 1990's] **Bozo Ljubic** by saying that the speculations were initiated by Ljubic himself who met **Ante Djapic** [head of HSP in Croatia] in Croatia and proposed that '*somebody should give up his candidacy because otherwise others could elect our Presidency member*.' Jurisic says that he is not giving up and that his party is confident it will win. **Vecernji List** pg 9 'Jurisic: I will be Croat member in BiH Presidency' by F, **RHB**, **Oslobodjenje** pg 4 'I will win October elections' by FENA – also cover
OSCE urges BIH HoR MPs not to support amendments to Law on BIH Elections	**Hayat** – OSCE is worried with amendments to the Law on Elections, which are to be discussed by BiH House of Representatives on Tuesday. Namely, according to the amendments, persons without CIPS IDs would be allowed to vote in the forthcoming elections.**RHB** – OSCE is convinced that BIH HoR MPs will not support the amendments that are not legally based and that endanger the integrity of voters' registration. OSCE reiterated that without proper CIPS ID card no one should be allowed to vote urging citizens to change their old ID cards with (new) CIPS ones. **FTV** – Those who don't get valid CIPS ID cards by August 17th won't be able to vote at the October elections. **RTRS**, **Oslobodjenje** pg 6 'Concern regarding amendments to the Law on Elections', not signed, **Nezavisne Novine** pg 5 'Concerned over amendments on Election Law' by G.G., **Vecernji List** pg 4 'Registration of voters brought into question' by R. I. also covered.

SRS and SS embodied "institution of referendum" into party programmes	**Glas Srpske** pg 5 'Important decisions after elections' by Lk.R. – At Monday's press conference in Banja Luka, **Miodrag Deretic,** Vice President of the Serb Radical Party, and **Predrag Gugo Lazarevic,** President of Serb Party, have stated that these two parties have embodied "*the institution of referendum into our programmes, on which we will insist, especially in regard to enactment of the vital decisions for citizens and transfer of powers onto joint institutions".* They have stressed that the resolving of all transfers of power from entities into BiH should be left after elections. **Dnevni List** pg 4 'Croats should be given an entity' unsigned – Statement mentioned in the title is not contained in the article.

War Crimes

Association 'Mothers of Srebrenica and Zepa Enclaves' slam BiH Chief Prosecutor Jurcevic in an open letter	**Oslobodjenje** pg 3 'Jurcevic should return to his job' not signed – Association 'Mothers of Srebrenica and Zepa Enclaves' addressed BiH Chief Prosecutor **Marin Jurcevic** in an open letter, demanding publishing of the list of 892 names of persons who participated in Srebrenica genocide. The letter underlines that many of these persons are still performing public duties in RS. Association notes that Jurcevic stressed that "*there is no need for publishing of these names*". Prepared by the RS Srebrenica Task Force, the list contains approximately 28,000 names of persons that took part in attack on UN protected zone of Srebrenica, 892 of which are still working in state and entity institutions. Recently, ICTY Chief Prosecutor **Carla del Ponte** demanded publishing the list. **Dnevni Avaz** pg 4 'Let Jurcevic stay away from politics'- also carries.
Head of SrebrenicaMunicipality Malkic: all criminals must be labelled	**Oslobodjenje** pg 3 'Names of criminals must not be secret!' by S.R. – Head of Srebrenica Municipality **Abdurahman Malkic** issued an open letter, addressed to BiH Prosecution, OHR and media, demanding publishing of the list (see article above). Malkic that all the criminals must be labelled and their name publicly announced, adding that they should be banned from employment in public sector. **Dnevni Avaz** pg 4 'What is being done with Srebrenica list is not in the interest of justice'- also covers.

Commemoration for Kereterm victims held Monday	**Nezavisne Novine** pg 6 'Anniversary of suffering at "Keraterm" marked' by D.Kovacevic – Commemoration for victims killed in Keraterm camp (Prijedor) was held on Monday in organisation of Association of Prijedor women "Izvor". Between 150 and 200 prisoners were killed in Keraterm camp on July 24th 1992. Over 3.000 persons were imprisoned in this camp. Survivors said that they are not satisfied with sentences for those responsible for war crimes committed in Keraterm.
VL: ICTY expects BiH judiciary to process crimes against Croats and use ICTY's documents	**Vecernji List**, pg 3 'Grabovica: More than 30 suspects for crimes against Croats of Uzdol too', by Zoran Kresic – according to VL, representatives of the ICTY expressed expectation that the BiH judiciary will process war crimes committed against BiH Croats at Grabovica and Uzdol since the ICTY's verdict to former commander of BiH Army, general **Sefer Halilovic** (acquitted by the ICTY), contains detailed information about the war crimes in question, the perpetrators, hushing up of crimes etc. Apparently, everything is included in more than 300 pages of the verdict, including names of more than 20 senior and junior commanders of the then BiH Army.

Judicial Affairs

HJPC to open competition for positions at RS Special Prosecution	**Nezavisne Novine** pg 4 'Selection of new RS Special Chief Prosecutor starts' by D.Risojevic – Daily reports that the High Judicial and Prosecutorial Council (HJPC) of BiH will on Tuesday open competition for selection of RS Chief Special Prosecutor after the altered Law on Special Prosecution (of RS) has come into effect. Competition refers to selection of chief prosecutor, his deputies and six prosecutors. As daily learns, HJPC is prepared to select prosecutors in an urgent procedure in order to ensure Special Prosecution starts working as soon as possible. According to **Admir Katica**, an HJPC spokesperson, competition will be published at HJPC web-site and "BiH Official Gazette".
Serbian Supreme Court to decide on extradition of Gojko Klickovic to BiH	**Nezavisne Novine** pg 5 'Serbian Supreme Court to decide on extradition to BiH' by S.Karic – Daily reports that the case of **Gojko Klickovic,** former RS premier, will be referred from Belgrade District Court to Serbian Supreme Court, which is to decide whether legal provisions have been met to extradite him to BiH. **Ivana Ramic,** spokesperson for the Belgrade District Court confirmed to daily that Klickovic's attorney filed a motion against recently passed ruling of Belgrade District Court, which ruled Klickovic should be extradited to BiH. (Klickovic was arrested in Belgrade in June this year on basis of arrest warrant issued after him by Sokolac Basic Court for office abuse.)

Former director of RS Banking Agency testifies work of PB ES assessed as negative twice	**Nezavisne Novine** pg 4 'Banking Agency viewed work of PB SS negative' by A.Dj. – During resumption of trial against **Momcilo Mandic** and others in the case "Privredna Banka Serb Sarajevo" (PB SS) **Dusanka Novakovic**,former Director of RS Banking Agency stated that during her mandate, the Agency inspected the work of PB ES twice, and on both occasions (in 2001 and June 2002), the work was assessed as negative, referring to management and administration in the Bank and Bank capital. **Dnevni Avaz** pg 10 'Bank had great business risk' by N.J., **Oslobodjenje** pg 8 'Management and administration in PBES was dissatisfactory' by A.S., – also covered.

Economy/Social Affairs

FBiH Govt. to discuss telecom operators sale Thursday, some ministers have not seen proposals yet	**Nezavisne Novine** pg 3 'Ministers do not know which proposal they will support' by R. Cengic – NN announces a session of the FBiH Government dedicated to privatization of telecom operators scheduled for Thursday, noting the following ministers confirmed they have not yet seen the proposals: Minister of labor and social welfare **Radovan Vignjevic**, Minister of Justice **Borjana Kristo** and Minister of entrepreneurship **Mladen Cabrilo** are yet to receive the proposals. Minister of trade **Maid Ljubovic** says he will not state his position before the session, whilst Minister of energy, industry **Vahid Heco** thinks time is not right to sell the operators in FBiH, and if they are going to be sold, a 50 % share should remain in state ownership.

RS Fin Min denies RS exceeded budget by BAM 70 million	**Fokus** pg 3 'We are disciplined' by B.G. – Commenting on claims of **Adnan Terzic,** BiH Council of Ministers Chair (that RS Government has increased public expenditures without assent of BiH Fiscal Council, referring to Report of International Monetary Fund that budget coordination and discipline slacken throughout BiH), **Aleksandar Dzombic**, RS Finance Minister, says that IMF Report does not solely refer to RS as an entity where such problems occurred. Dzombic adds that RS Government and RS Finance Ministry are not of the view budget was exceeded by BAM 70 million, since it should be taken into account that RS – owing to inadequate distribution of resources from VAT single account – demands that sum from the single account of ITA (Indirect Taxation Administration).

Jewish conference warns: proposed changes to Law on sale of apartments favor Muslims	**Vecernji List** pg 5 mentioned on cover 'Muslims privileged in terms of apartment purchase' by Zoran Kresic – **Gideon Taylor**, Executive Vice-president of the Jewish Conference on return of property has criticized the proposed amendments to the Law on purchase of apartments (in the FBiH), according to which tenancy right holders cannot buy apartments they are currently occupying without first getting approval from 'vakufs' or legacies (legati), which owned the apartments prior to their nationalization. Taylor adds that if this law is adopted, return of former Jewish property in BiH will be made impossible and reminds that Jews in Sarajevo owned around 2000 apartments prior to World War II. Taylor says '*Law favors Muslims compared to other religious communities in BiH*''. Article author notes that Catholic and Orthodox Churches are not granted the same privileges as the Islamic Community (vakufs are closely tied to Islamic community) and concludes that '*amendments to the Law on apartments are obviously part of SDA's election campaign considering that SDA caucus head in FBiH Parliament* ***Semsudin Mehmedovic*** *has been carefully monitoring the drafting and adoption of the Law*'.

Miscellaneous

BiH Parliamentary Commission completed interviews with candidates for positions of Chief Auditor and two Deputies	**BHTV 1 –** BiH Parliamentary commission for appointment of BiH Chief Auditor and Deputy Chief Auditor conducted interviews with the candidates. Candidates who fulfil the legal requirements for these positions are: **Milenko Sego, Ranko Sakota, Dragan Kulina, Munevera Baftic, Sead Abaspahic, Muhidin Hafizovic, Mustafa Ovcina, Dzevad Netic** and **Miroljub Krunic**. Final decision will be made after vetting procedure of Central Electoral Commission. Head of the Commission **Halid Genjac** said that he can't asses the candidates before CEC confirms there is no conflict of interest. Current Head of Audit Office Sego is convinced he will again be appointed to this commission. He announced introduction of new audit methods. The mandate of new Chief Auditor and two of his Deputies will last seven years. **Nezavisne Novine** pg 2 'Nine candidates in race for chief auditor' by N.Krsman – Genjac also said that "*political consultations are likely to precede the appointments, since ethnic structure, i.e. nationality of chief auditor and deputy auditors, must be taken into consideration*". **Dnevni Avaz** pg 4 'CEC report on conflict of interests requested' not signed – also reported

Trebinje Bosniaks claim security situation getting worse; Municipal Assembly Chair Sekulovic agrees police chief should be removed	**Oslobodjenje** pgs 4-5 mentioned on cover 'Diaspora boycotts reception at Mayor Cuk's' by A. Becirovic – Oslobodjenje runs a story on the status of Bosniaks in Trebinje captioned 'Trebinje Bosniaks living in fear' in which it reminds of the request by SDA and Islamic Community for removal of Trebinje District Police (CSB) chief **Goran Zubac** over recent incidents directed against Bosniak returnees. Chair of Trebinje Municipal Assembly **Nikola Sekulovic** says he believes this request is justified because Zubac has not improved the security situation in town. Trebinje Bosniaks expressed their opinion on the security situation in Trebinje by snubbing a reception on the occasion of the Day of Diaspora at Mayor **Dobroslav Cuk**'s office on Monday, which was attended by only two Bosniaks. **Fuad Serdarevic**, President of the Association of returnees to Trebinje, who signed the aforementioned request for removal of Zubac, comments that '*the security situation in Trebinje is much worse than it was last year*.' Article then describes several incidents that have taken place in Trebinje lately such as shots fired at Muslim tombstones and a bomb thrown at a returnee house on 23 July. Inset: 'BiH Death notice'. Reads that that incidents against Bosniaks were preceded by a death notice posted in busy parts of Trebinje on 28 June (Serb holiday 'Vidovdan') this year "informing" that '*Islamic heritage BiH dropped dead … on 28 June 2006 at the age of eleven*'.**Nezavisne Novine** pg 5 'Removal of Police Chief asked' by SRNA – Trebinje – also reported