OHR BiH Media Round-up, 28/12/2005

Latest radio news broadcast at 12.00 on **28 December**

RADIO HERCEG-BOSNA (12,00 hrs)
Reaction of BiH Jewish Community
Terzic meets BiH neg. team with EC
BiH Presidency session

TV news broadcast on **27 December**

RADIO HERCEG-BOSNA (18,00 hrs)	**TV PINK** (18,00 hrs)	**BHT 1** (19,00 hrs)
Jovic on Constitutional reform	Trade Chamber & Dvlp Agency agree	Violence over children in BiH
Terzic on VAT implementation	Terzic on VAT	Two BiH citizens arrested inZagreb
Central Bank to support VAT	Feature on small business after VAT	Privredna Bank Srpsko Sarajevo case
No increases of bread prices	VAT campaign in Banja Luka	Terzic, Kozaric on VAT introduction
NTV Hayat (19,00 hrs)	**FTV** (19,30 hrs)	**RTRS** (19,30 hrs)
BiH institutions on VAT	BiH institutions ready for VAT	Detention for Sarovic prolonged

Research: BiH citizens on VAT	‘Klas’ decided not to increase prices	Who will get majority in RSNA?
Free phone line for info on VAT	Milk producers on VAT introduction	Authorities prepared for VAT
New coins introduced in BiH	Perkovic on VAT introduction	RS Chamber of Commerce on VAT

Oslobodjenje	Profitable trip to The Hague by force or voluntarily
Dnevni Avaz	[Radovanovic] We have got 25 000 tons of surplus weapon
Dnevni List	Mostarians were smuggling weapon for Russian Mafia?!
Vecernji List	Mostarinas caught with 10 machine guns
Slobodna Dalmacija	Meat more expensive even before VAT introduction
Nezavisne Novine	Ready for VAT
Glas Srpske	A man named doom *[feature story on a misfortunate person]*
EuroBlic	Increase of prices unavoidable
Vecernje novosti	Features Serbian related titles

	LATEST NEWS OF TODAY

SDA will not support RS budget at the RSNA session	**SRNA**news agency – SDA representatives will not support the proposed budget for the RS in 2006 at the session of the RS National Assembly being held today. SDA representative in the RSNA, **Sadik Ahmetovic**, confirmed that the SDA caucus held the meeting prior to the RSNA session concluding that the responsibility for the budget is on those who elected the current RS Government.
Terzic meets BiH SAA team today	**RHB**– Chairman of the BiH CoM **Adnan Terzic** will meet today with the BiH delegation for negotiations with the EC. Head of the BiH negotiating team **Igor Davidovic** will present proposals for members of the negotiating group and heads of the groups.
Matijasevic: Arrest of all war crime indictees necessary for full cooperation with ICTY	**RHB**– RS Minister of Interior **Darko Matijasevic** stated that cooperation with the ICTY would be fully satisfactory when all war crimes indictees end up in The Hague. He said that there are no evidence that **Radovan Karadzic** and **Ratko Mladic** are permanently or occasionally in the RS. He reiterated that cooperation with the ICTY is strategic issue for the RS that is for survival or disappearance of that entity.

	VAT introduction / Budgetary issues

Terzic: It will be difficult following VAT introduction, but there will be no chaos	**BHT 1** by Gvozden Sarac – BiH Council of Ministers Chair **Adnan Terzic** reiterated on Tuesday that the situation following the Valued Added Tax introduction on 1 January will be difficult, but there will be no chaos in BiH. In short-term, the increase of prices will have negative effect on the standard of BiH citizens, but in the long-term VAT – the most radical but most important tax reform in BiH – will be good for the country, Terzic repeated. "*Chaos is being announced, collapses and huge increases of prices are being announced… but we want to emphasize once again that that will not happen*", stated CoM Chair. The VAT would create more favourable business environment for foreign investments, Terzic argues adding that, more importantly there will be a greater influx of money into budget which allows for more benefits for vulnerable citizens. According to some estimations, 'grey economy' makes up more than 35 percent of turnover in BiH or even up to 50% as believed by USAID; it is expected that VAT would help fight this market. State Border Service (SBS) plays an important role in this process by preventing smuggling across BiH borders. "*SBS will do its job professionally on all international border crossings, i.e. all along the BiH borderline, because we cover entire 1,700 km-long BiH borderline*", stressed SBS director **Vinko Dumancic**. BiH Central Bank Governor **Kemal Kozaric** stressed that VAT would not create inflation, and there would be no additional printing of money. In fact, the coins of 5 pfennings and 5 KM have been already prepared, in order to prevent merchants from make some extra profit by rounding off the prices. CoM Chair Terzic added that publishing would be exempted from VAT, mainly because there are no social mechanisms or funds for alleviating the consequences of VAT in this sector. **RTRS** – ITA Director **Kemal Causevic** explained that one of effects of VAT will be increase of collection in amount of about Km500 million. **Hayat, FTV, PINK, RHB, Dnevni Avaz** pg 8 'Appeal for boycott of profiteers who will raise prices without reason', **Oslobodjenje** cover page, pgs 4-5 'There will be no collapse and chaos', **Slobodna Dalmacija** cover pg splash and pg 19 'Meat more expensive even before VAT introduction' by N. Dimitrijevic, **Dnevni List** pg 5 'After decrease of purchasing power improving of standards follows' by D. Polovina-Mandic, **Vecernji List** pg 2 'Terzic threatens greedy merchants' by E. Medunjanin, **Nezavisne Novine** cover pg splash 'Ready for VAT' pg 2 'Standards of citizens will rise together with growth of prices' by M. Cubro, **Glas Srpske** pg 3 'The crown of reform' by N. Zelenovic, **EuroBlic** cover pg splash 'Increase in prices unavoidable' and pg RS4 'Optimism in cash, increase in prices in installments' by Dusanka Stanisic– also covered the joint press conference.

Authorities: Businessmen will not be allowed to gain extra profit	**FTV**by Azra Pasukan-Buljina – BiH authorities stresses that the VAT introduction also includes measures to prevent manipulations and unjustified enormous increases in the prices. *"All businessmen must know that they will not be allowed to gain some extra profit on bread, milk or cooking oil"*, stated **Ibrahim Tirak** from the FBiH Price Monitoring Team. Companies who violate the regulations on margins would be fined up to 1,000 KM or completely closed, announced Tirak. The negotiations with three Elektroprivredas should start in the next few days; if they agree not to increase the price of electric energy during the winter, prices of other communal services should remain the same as well.

Media discuss possible VAT consequences: Bread producers announce price increases; Milk producers fear VAT; RS Chamber of Commerce says VAT should be changed; Brcko merchants not afraid of VAT	**PINK** by Dragica Tojagic – Reporter comments that VAT introduction would have both positive and negative effects. Positive side is that it would suppress black market, while on negative side it would destroy small and medium businesses. Association of Trade and Tourism representative **Zdravko Ostojic**, claims that VAT will allow foreign to endanger domestic businesses in terms of dumping prizes. **BHT 1** – BHT 1 carries that despite politicians' claim of no need to fear VAT, BiH citizens are buying large amounts of basic life groceries. BHT says that the biggest Mostar bread producer 'Zitopromet' has already increased the prices and bakers from Prijedor region announced price increase for 17 percent. Banjaluka-based Consumers Association "Plava Sfera warned that companies which sell refrigerators, washing machines and similar products are trying to use consumers' ignorance and to lead them into accepting the bad, although apparently interest-free loans. **Dnevni Avaz** pg 9 'Bakers preparing new prices of bread' **Hayat, FTV, BHT 1** – The Governing board of 'Klas' bread company decided that they would not increase the prices in 2006. **RTRS** – "Plava Sfera" urged authorities to also introduce zero rate to apply to basic groceries and medicines. **FTV** – Milk producers in BiH expressed their fear of VAT due to fact that until now this branch of industry has been exempted from all taxes. At the same time BiH Telecom announced that their prices will not be increased after VAT. **Vecernji List** pg 2 'Prices of bread remain the same, fuel to be cheaper' by D. Jazvic carries that in spite of the VAT introduction oil producers announce that fuel prices would be reduced. **Dnevni Avaz** pg 9 'Compensating prices with high-tariff goods' by E. R. – Most of merchants in Brcko District are not afraid of introduction of VAT. **RTRS** – RS Chamber of Commerce believes that Law on VAT should be changed at once, where products and services of social interest should be exempt from taxation, stressing that current rate of 17% will strike all, especially some economic areas. **Hayat**– UNDP's Early Warning System Program research results shows that around 50% of citizens believe that there will be a significant increase of prices after VAT introduction. Overall results shows that 80% of citizens believe that their living standard will be worsen by the VAT. **Hayat** -ITA opened a free phone line, 0800 500 02, for citizens to obtain all information on VAT. **Dnevni Avaz** pg 9 'Bakers preparing new prices of bread', **Oslobodjenje** pg 3 'Klas not to increase prices', **Dnevni Avaz** pg 9 'Klas not to increase prices' – also reported.

Oslobodjenje op-ed on VAT: Much ado about VAT made large damage even before its introduction	**Oslobodjenje** pg 9 'Getting used to more expensive life' op-ed by Borivoje Simic – The author says that so much ado about VAT has made damage even before the tax has been introduced. With the public attention focused to large extent at the price increases, author says, increases became inevitable and there is a question of whether the price monitoring teams established by the entities will be efficient at the field. At the same time, the increases occur even before the VAT. Editorial argues that everyone should have more trust in the market and self-regulation, wait until the first tax reimbursements and only that to analyse whether the VAT bears more positive or negative effects, or whether there should be one or more rates.
FBiH HoR to hold session today: Harmonized Budget or provisional financing	**Oslobodjenje** pg 5 'Harmonized Budget or provisional financing' – The FBiH House of Representatives will continue the extraordinary session today to discuss the amendments proposed by the House of Peoples to the FBiH budget for 2006. The FBiH Parliament's Commission is also holding session today to harmonize the FBiH budget for the next year, given that the proposal budget was accepted in two very different versions in the HoR and the HoP last week. Namely, the HoR adopted 27 amendments to the proposal budget, while the HoP rejected each and every one of those amendments and adopted another five amendments. Chair of the FBiH HoR, **Muhamed Ibrahimovic**, says that HoR will discuss today the HoP's amendments, but most probably will reject them all. Chair of the HDZ-HD-HNZ Coalition, **Ivan Madunic**, shared his opinion. Head of SBiH caucus, **Ismet Briga**, stated that budget must first be endorsed by the Commission. Unless the budget is harmonized by 31 December, the FBiH Government will have to start working on 1 January on grounds of decision on temporary financing which is valid for three month.
Cenic says decision on temporary RS budget on ready, if not adopted chaos to follow; 2006 Budget only item on RSNA agenda today	**Oslobodjenje** pg 5 'Strange things are happening ahead of elections'- RS Finance Minister, **Svetlana Cenic**, confirmed the Government will prepare the decision on temporary financing if the RSNA fails to adopt the budget for 206 at the session to be held today. In a statement to RS Radio, Cenic reiterated that Government has no intention to resign adding *"it is interesting how these things happen before the elections."* **RTRS** – *"If decision on temporary financing is not passed either then we are going to chaos, which means that there are no payments for anyone,"* said Cenic. **Dnevni Avaz** pg 2 '2006 Budget only item on RSNA agenda today', **Oslobodjenje** pg 7 'Only SDS in favour of adopting budget and RS Government' by O. Vukovic –announces the session on the budget.

Terzic: There is still time to adopt entities budgets	**RTRS, PINK, Oslobodjenje** pg 5 inset 'There is still time for budgets' – CoM Chair, **Adnan Terzic**, commented the possibility for entities budgets, meaning also social programs to alleviate VAT consequences, are not adopted by the end of year, by saying that the FBIH budget has been adopted while the texts only need to be harmonized. "*RS budget obviously suffers because of the one group of politicians' decision to cease the European path and they will bear responsibility for disabling RS Government to regulate possible increase of prices through social programs. First dissemination of social benefits will start in February and there is enough time to adopt budgets in January*," concluded Terzic.
N. Spiric: It would be best to hold BiH HoR session in mid January; BiH Presidency proposed budget fro 2006 two times bigger from the one in 2005	**Dnevni Avaz** pg 10 'Spriic: I do not show spite to Terzic or anyone from state top' by H.O. carries Chairman of the BiH HoR **Nikola Spiric** who says that the best is to hold a session of the HoR in mid January 2006 and the state budget for 2006 should be discussed and possibly adopted at this session. He explained that due to the procedure and coming holidays it is impossible to hold the session earlier. Spiric also denied that he proposed the aforementioned date for the session on purpose because of BiH CoM Chairman **Adnan Terzic** and others who bring into connection a success regarding the VAT introduction and adoption of the budget. Spiric added that he did not receive from Terzic or anyone from the state top a demand that the session takes place by the end of this year. **Dnevni Avaz** pg 10 'State budget in 2006 two times bigger than in 2005' by H. Orahovac carries that the BiH Presidency as a formal proponent forwarded in the state Parliament a proposal of the budget for 2006 that is two times bigger than the one in 2005.

	Other political and economic issues

RTRS discusses possibilities in eve of RSNA session: Nothing certain	**RTRS** by Nada Arlov– In the eve of the RSNA session, RTRS comments that the politicians are chasing 42 votes of majority and the most meetings are being held behind closed doors. Reporter comments that the today's session should be a spectacle as the discussion on the RS Budget would determine whether the RS Government lead by Prime Minister **Pero Bukejlovic** would survive or not, while it is unknown whether the RS Finances Minister **Svetlana Cenic** would persuade RSNA that budget's pointers are justified or they would be frighten by possibility of temporary financing, which in amount of Km404 million can't be sufficient. While many Parties are criticizing the Budget proposal, the leading one has nothing but words of praise. *"I believe that Budget will be passed and SDS will vote for it. I believe that objective remarks can b hard to find in RSNA for Budget as this one,"* said **Borislav Bojic** of SDS. SNSD officials will have remarks to the Budget, stressing that their initiative for replacement of the Government, with gathered majority of signatures, is on hold. *"At this moment one can truly say that there is no majority in RSNA for passing of the Budget, and that, at the same time, there is a sufficient number of interested parties for passing of confidence vote,"* said **Igor Radojicic** of SNSD. PDP stances haven't changed, they consider that corrections of the Budget are insufficient and they will gladly support the SNSD's initiative. DNS will present their stances on Wednesday, but they have problem with this unprincipled coalition and as **Drago Kalabic** stressed numerous meeting were held within Parties. Radical Parties aren't united in this, being that those gathered around **Milanko Mihajlic** will vote for the Budget, while the only Representative of Serb Radical Party "Vojislav Seselj" stressed that he will not vote for the Budget nor for the Government. Representatives of DS will vote for the Budget, under the condition that RS President **Dragan Cavic** addresses the RSNA. Representatives of SDA have held their meeting on this issue on Tuesday night. *"If Budget is passed then that means that Government has succeeded to, as speculated, form majority with SDA, but we will see [today] and we will know how to proceed,"* said **Milorad Dodik**, President of SNSD. **Oslobodjenje** pg 7 'Only SDS in favour of adopting budget and RS Government' by O. Vukovic – Article announces the RSNA session today on the budget and speculates on possible developments concluding that the entire case will most probably have its closure in January. **BHT 1** – also argues that nobody could predict the outcome of the session.

NN: SDA's votes to decide on outcome in RS Govt crisis?	**Nezavisne Novine** pg 3, announced on cover 'Adnan Terzic is saving RS Government' by V. Popovic – The article notes whether RS Government would get the support for 2006 budget or not would depend on six votes of SDA and reads SNSD, PDP, SDP, DNS, NHI, SPRS, SRS "Dr. Vojislav Seselj" and three delegates of the Party for BiH would vote against the draft budget at RS NA session. SDS President **Dragan Cavic** said this party supports both RS Government and draft 2006 budget, while SDA's **Adnan Terzic** is of the view that non-adoption of 2006 RS budget and possible overthrowing of the Government is an obstacle on BiH's path to European integrations. SDA's **Sefket Hafizovic** announced SDA would decide on whether its delegates at RS NA would support the budget on the eve of RS NA session at which voting on the budget would take place. **Vecernje Novosti** pg 4 'Government is falling down?' by Sl. Pesevic – SNSD's **Milorad Dodik** thinks if RS Government fails to get the support for the budget and economic policy then it should leave. PDP's **Mladen Ivanic** said the party would decide on whether to support these document on the eve of RS NA session. *VN* also reads SDA would not support the budget. **EuroBlic** pg RS2 'Thin support' by Rajna Radosavljevic – carries SDS's appeal to political parties to support the budget and Terzic. **FTV, Dnevni List** pg 9 'SDS will not demand resignation of entity Government' not signed, **Slobodna Dalmacija** pg 16 'Cavic: SDS will not demand resignation of Government' by F– also carries Cavic.
Poljasevic: SNSD has 45 votes necessary to bring down the government'	**RTRS, Dnevni Avaz** pg 8 'SNSD has 45 votes necessary to bring down the government' – PDP representative in the RS National Assembly **Veselin Poljasevic** said on Tuesday that the stand of his political party on the RS budget for 2006 remains unchanged, because the proposal budget in comparison to the draft does not have "any changes, apart from the cosmetic changes". Poljasevic said this is the reason why PDP cannot support the proposal budget sponsored by the RS Government. If the budget is not adopted, he said, it will be necessary to launch a vote of no confidence to the Government, reiterating that PDP supported the SNSD initiative. "*Thus, it is up to SNSD to make the move*", he said, adding it is logical for SNSD to launch their initiative, noting that he has learned SNSD has already ensured the support of "45 representatives for the initiative".

Bukejlovic in RTRS 'Aktuelni razgovor' on economic issues, budget, crisis: adoption of the budget 2006 is most important issues	**RTRS** 'Aktuelni razgovor' current affairs program by Biljana Knezevic – In an interview to RTRS, RS Prime Minister **Pero Bukejlovic**, praised is Government for the success in economy stating that it has stabilized with production increased and poverty reduced. On being asked why he waited for OHR's pressure to undertake steps regarding the issue of the RS Elektroprivreda and Srpske Sume, namely to remove directors in the companies due to poor managing, Bukejlovic said that he reacted on time and that the OHR made no objections in terms of these two companies, but in terms of reform processes in general. As for the existing crisis in the RS executive authorities, Bukejlovic said that no one could have the majority in the RSNA at the moment and that the only way out was to hold elections, but that there was no time to do that. Bukejlovic said that the issue of majority in the RS NA did not present the main one, namely, he pointed out that the most important thing was to adopt the budget for 2006, since it offered solutions to some issues which have been managed to be solved for years, such as education, pension, culture, etc. Bukejlovic emphasized that the budget had to be adopted in order to prevent further destabilization of the RS and that he had nothing against dismissal of the Government after the budget is adopted. Bukejlovic said that if the budget does not be adopted, temporary financing decision would become effective. On being asked why he supported the proposal on having salaries to the RS NA representatives increased, Bukejlovic said that the request was justified and that the increase referred to activities which were to follow in 2006, and added that he did not see it as a way of buying votes of the representatives in order to make them adopt the budget for 2006.
NN op-ed on RS budget: someone must bring crisis to an end	**Nezavisne Novine** op-ed pg 7 'The budget' by Dragan Risojevic – The author notes RS Government could get the support for 2006 budget only if SDA delegates supported it and he notes that such a situation in which the current Government is not capable of passing the most benign information sends a message on instability in RS out to the world. The author concludes by saying someone must bring the crisis to an end, since any other solution would only mean prolonging the agony.

Grahovac: 'If Niko Lozancic does not appoint Heco urgently SBiH goes to opposition'	**Dnevni Avaz** pg 2, mentioned on cover 'If Niko Lozancic does not appoint Heco urgently SBiH goes to opposition' by M. Kukan – At the press conference held on Tuesday SBiH Vice President **Gavrilo Grahovac** stated that the SBiH Presidency sent (also on Tuesday) a letter to FBiH President **Niko Lozancic** demanding from Lozancic to send a consent for appointment of **Vahid Heco** to the position of the FBiH Minister of Energy, Industry and Mining to the FBiH HoR by Wednesday (today) at the latest. Grahovac also said that if this does not happen it would be a clear sign that it is an HDZ stand and an attempt of HDZ to reduce SBiH elections results and parties' agreements reached during constituting of the authority. He added: '*Obviously HDZ thinks to avoid Heco's appointment and appoint someone from HDZ. If Lozancic does not sent his consent urgently then our party would behave as the opposition in the FBiH Parliament until this issue is resolved. This means that we shall not vote for the budget or any law that is in the parliamentary procedure*' **RHB, Oslobodjenje** pg 6 'Lozancic creating crisis under a RS-like scenario', **Dnevni List** pg 3 'To sent to Parliament proposal for appointment of Minister of Industry' by M. Zorlak, **Nezavisne Novine** pg 3, announced on cover 'Adnan Terzic is saving RS Government' by V. Popovic inset 'Grahovac: going to opposition' – Party for BiH requests appointment of Minister Zigic's replacement.

Ivanic: BiH's balanced attitude on status of Kosovo'; Serbs in BiH have no reason to think anything as long as they are satisfied with their position in BiH	**Dnevni Avaz** pg 2 'Serbs in BiH do not need to think about other solution', **Vecernji List** pg 2 'BiH has balanced attitude on status of Kosovo' by ra, **Dnevni List** pg 4 'BiH's balanced attitude on status of Kosovo' not signed, **Glas Srpske** pg 2 'The matter for Belgrade and Pristine' by Tanjug– BiH Foreign Affairs Minister **Mladen Ivanic** said on Tuesday that BiH has a balanced position on the issue of the future status of Kosovo, and stressed that the only possible solution for the province is the one agreed by Belgrade and Pristina. "*I am against any imposed solution because the situation in Kosovo can have repercussions for the entire region*", Ivanic told Tanjug news agency. He also stressed that there is no special reason to bring the RS into connection with the resolution of the final status of Kosovo. "*Serbs in BiH have no reason to think about anything as long as they are satisfied with their position in BiH, i.e. as long as the RS is treated as an equal entity within BiH*", Ivanic said. Commenting the relations between BiH and SCG, Ivanic said that they have somewhat stagnated during the last several months urging the Interstate Council to meet as soon as possible. Ivanic stressed that the International Court of Justice in the Hague should postpone the debate on the BiH lawsuit against SCG for aggression and genocide until the BiH Constitutional Court responds to the request for assessing the constitutionality of the lawsuit filed by BiH Presidency member **Borislav Paravac**. **Oslobodjenje** pg 4 ' The Hague should wait for BiH Constitutional Court ruling' – also reported.
NT: Europe might allow RS to join Serbia should Kosovo be granted independence	**Nedeljni Telegraf** pg 3 'Brussels facing a decision' by M. L. – An experts for the Balkans issues, **Georges Marie Cheneaux** (sp!) (former close associate of **Francois Mitterand)** says Europe still does not have a specific solution for Serbian problems but he notes there is an idea to keep Montenegro in frame of SiCG, while Serbia would be given a "psychological exchange", i.e. a kind of an apology in case Kosovo is granted the independence, by allowing RS to join Serbia. He says **Javier Solana**, European Security Commissioner, would play the crucial role in lobbying for this idea in Belgrade, Podgorica and Sarajevo.

Jovic on const. changes: Washington statement only first step	**RHB**by Milan Vego – In an interview to RHB, the Chairman of BiH Presidency **Ivo Miro Jovic** says he is delighted that the process of the constitutional reform has started stressing that the Dayton Peace Agreement had stopped the war but that the Constitution, which has evaluated over the time, was always damaging for Croat people, as well as the decisions of the International Community, especially the High Representatives. Jovic stated that it took lots of time, will and determination to persuade other two peoples to start with the negotiations, stressing that this possibility was given by DPA, Annex 4, itself, where it is said that Constitution can be changed, but only trough consensus of all three peoples. Jovic explained that Washington Statement is going in that direction, where representatives of three peoples are obligated to work on these changes. *"This is just a first step, that these are not cosmetic changes…Croats are expecting that, trough agreement with other two peoples and consensus, it will be possible to create social community acceptable for all three constitutive peoples,"* said Jovic stressing that this process can't be stopped. *"It is inevitable, because no one can build happiness on someone else's misfortune and in these ten years we have all witnessed the fact that Croat people in BiH from constitutive, but not sovereign, people came into the position of minority,"* said Jovic.
PDP's Ivanic: BiH Presidency should be composed of President and two Deputy Presidents	**Nezavisne Novine** pg 2 'Single president is unacceptable' by M. Bj. – PDP's **Mladen Ivanic** visited Drvar, on which occasion he stated Serb representatives in talks on constitutional changes would maintain the stance that BiH Presidency should in future be composed of one President and two Deputy Presidents and he added that PDP, SNSD and SDS would not accept any mechanisms that would enable one of the three BiH peoples to be dominant. **Glas Srpske** pg 5 'No giving up' by Srna – also carries Ivanic's statement.
SBiH: BiH needs state Ministries for youth, pensioners and healthcare	**Nezavisne Novine** pg 4 'Ministries at the state level are needed' by Srna – Party for BiH finds unacceptable the fact no person participating at talks on constitutional changes wants to talk about the needed Ministries concerning youth, pensioners and healthcare at BiH level.

Christian Schwarz-Schilling in BHT 1 'Posteno govoreci': mandate's focus on justice and economy	**BHT 1** 'Posteno govoreci' current affairs program by Duska Jurisic – Asked if next would really be the last year for the institution of the High Representatives, newly appointed HR **Christian Schwarz-Schilling** said in an interview to BHT 1 this depends on the local authorities and the speed of the reform implementation. Schwarz-Schilling also stated that the transformation from the OHR to Office of EU Special Representative would most likely take place in 2007 depending on the development of the state. Speaking of his mandate, CSS said he intends to focus on justice and economy. He added: "*Introduction of VAT is a good, difficult and demanding project. Good social system means rule of law, which again leads to implementation of police reform…*' Commenting Bonn powers, Schwarz-Schilling stated his attitude is to approach BiH politicians with an attitude of trust. "*It is not the IC's intention to impose each decision. It should be adopted by the BIH politicians*" noted Schwarz-Schilling. He said that BiH citizens play here the major role by choosing responsible politicians at the elections. "*So, first, I would, with the consensus of BiH politicians, implement the reforms. Only if I see individuals that are obstructing the reform implementation than I should exercise my powers*" explained Schwarz-Schilling. He added that when BiH comes closer to the EU the need for the Bonn powers would cease to exist.
EU is conditioning financial help with realization of reforms, Zec-Filipovic says BiH will try to change this clause	**Nezavisne Novine** pg 3, announced on cover 'EU is conditioning financial help with realization of reforms' by M. Cubro – Draft text of SAA reads EU would condition financial help to BiH with realization of reforms in BiH. The article lists tasks (conditions) set in Draft SAA text and also carries a statement of **Bojan Zec Filipovic**, the Advisor to Chairman of BiH CoM, who says BiH would try to change this clause of Draft SAA text during negotiations.
BiH Chief negotiator on SAA to deliver a list of his team members to the CoM	**Hayat** – BiH Chief negotiator in Stabilisation and association Agreement talks **Igor Davidovic** will deliver a list of members of his team to the BiH Council of Ministers (CoM) on Wednesday. BiH CoM's Chair **Adnan Terzic** announced that the CoM will discuss its negotiating position in SAA talks on Wednesday as well, what will be followed by adoption of the position on Thursday. The biggest part of the agreement will be in relation to trade and economic relations.

	Judicial issues, crime, police

Detention to Sarovic, others extended	**Hayat, FTV, RTRS, BHT 1, Oslobodjenje** pg 7, **Nezavisne Novine** pg 4 'Detention for Sarovic, Bjelica and Govedarica was extended' by A. D., **Glas Srpske** pg 2 'Detention to the "troika" was extended' by Srna– Court of BiH has extended the detention for **Mirko Sarovic**, **Milorad Govedarica** and **Milovan Bjelica** until January 28. These three are indicted for criminal acts related with the dealings of Privredna Bank Srpsko Sarajevo, along with **Momcilo Mandic**. BiH Prosecutor's Office Special Department for Organized Crime, Economic Crime and Corruption accused them of illegally granting loans to Spekta and Matres companies; BiH Prosecutor's Office believe that this money was used for financing SDS and ICTY indictees. January 31st is the deadline given by the Court of BiH for the completion of the indictment in this case. **Dnevni Avaz** pg 2, mentioned on cover 'Sarovic and the others remain in custody' – DA learns that Prosecution listed former RSNA Speaker **Dragan Kalinic** as one of the witnesses in the case.

Zagreb police detains two BiH citizens in illegal possession of weapons	**BHT1** Report by Lamija Aleckovic – Zagreb police confirmed on Tuesday that it has arrested two BiH citizens and confiscated 10 'Uzi' machine guns and ammunition. "*Such weapons are easy to carry or hide, but at the same time they have great firepower, and therefore they are often used in terrorist actions or during some other criminal acts, such as bank robberies*", stated Zagreb Police Commissioner **Dubravko Novak**. Those weapons and ammunition have been discovered in a vehicle owned by 30-year old BiH citizen; the other arrested person is 41-year old man with dual citizenship: BiH and Croatian. As BHT reporter unofficially learns, those arrested smugglers are **Ivan Milicevic** and **Branimir Minic** from Mostar. **FTV, RHB, RTRS, Dnevni Avaz** pg 31, mentioned on cover ' The two form Mostar arrested', **Vecernji list** cover splash also reported. **Dnevni list** cover splash – speculates that arrested Mostarians were smuggling weapon for Russian Mafia.

EastIlidzaMunicipality allocates land for building state prison	**Dnevni Avaz** pg 3 'Turkey announced assistance to build state prison' by S. Skuletic – East Ilidza Municipality on Tuesday brought decision allocating the land to the BiH Justice Ministry in order to build the state prison. Justice Minister, **Slobodan Kovac**, also announced that Turkey has announced assistance for the construction of these premises and that the donor's conference would be held in February 2006. Since the BiH Court was established in 2003 it had to rely on the entities for prison facilities often demanding the state prison to be built as the practice to date is too expensive and inefficient.
De-certified policemen to go on hunger strike	**Vecernji List** pg 2 'De-certified policemen announced hunger strike' by ra – Representatives of the Association of De-certified Policemen announce that they would start a hunger strike after the New Year. They also announce criminal charges against high-ranked authority representatives, that is, the BiH Presidency and Chairman of the BiH CoM. VL says that they would organize the strike in front of the **OHR's** building in Sarajevo .

NTV Hayat on SBS: every fifth officer has criminal file	**NTV Hayat**– Hayat reports that every fifth State Border Service (SBS) officer has a criminal file. Since the SBS was formed until June this year, 572 SBS officers were under disciplinary procedure for violations in their work conduct, whereas 419 of them were subject to the disciplinary measures. During five years of SBS existence, 52 officers have been dismissed and criminal reports filed against them. Report on these cases was presented to BiH House of Peoples (HoP), which concluded that the reason for such situation is that SBS officers were hired from different level of police structures in BiH. Representatives in the BiH HoP consider this information as catastrophic and believe that disciplinary measures against those officers didn't show results, since the trend of violations continued through years. *"Officer in the State service who has a small salary and work at such sensitive working place is usually corrupted. That is a bitter truth,"* stated representative in BiH HoP, **Halid Genjac**. SBS Director, **Vinko Dumancic** says that revision of all employees is conducted. *"I still cannot give any information for public, report was sent to BiH Minister of Security,"* says Dumancic. BiH HoP requested explanation for this situation in next SBS report and precise information on characteristics of violations.

	War crimes /defence issues
Osl. criticizes RS authorities decision to finance ICTY indictees and members of their families	**Oslobodjenje** cover pg splash and pg 6 'Profitable trip to The Hague by force or voluntarily' by A. Omeragic carries that at the time when the payment of January pensions in the RS is questionable and when the average salary in the RS is below the FBiH average, the RS authorities have decided to pay money to the ICTY indictees and members of their families regardless of the fact whether these indictees turned himself in or were arrested. Commenting on this decision representative in the RSNA **Sefket Hafizovic** stated: '*This can be interpreted only as a support of the official RS authorities to those who committed genocide and the verdict passed against* ***Radovan Krstic*** *confirms it.*' Osl. says that according to the aforementioned decision the ICTY indictees would be receiving 3 average RS salaries, members of their families would have 4 two-way tickets to The Hague for free, while their children would be receiving scholarships (in total 450 000 KM for the next year).

DL op-ed criticizing RS Govt decision to finance ICTY indictees and their families	**Dnevni List** pg 2 'Disgraceful Government' by S. Bjelica criticizes the RS Government's decision to finance ICTY indictees and their families. The author says: '*Are RS Prime Minister **Pero Bukejlovic** and his associates aware that other peoples also live and the RS and they fill in the RS budget from which Bukejlovic would finance those who are charged with their persecution, maltreatment and murders of their closest ones. Disgraceful!*'

DA interview with N. Radovanovic: 'There would be no place for Mladic's associates in BiH armed forces'	**Dnevni Avaz** cover pg splash 'We have got 25 000 tons of surplus weapon' and pg 5 'There would be no place for Mladic's associates in BiH armed forces' by E. Sarac carries an interview with BiH Defence Minister **Nikola Radovanovic.** Talking about the former and current members of the RS Army suspected of being a part of the network that has supported war crime indictee **Ratko Mladic**, Radovanovic said: '*During the checking of about 30 persons related to the network of the support, who are not the RS Army members any longer, documentation was submitted to RS Minister of Interior* ***Darko Matijasevic****. The public is aware that correspondence on this issue between Matijasevic and former Defence Reform Commission Co-Chairman* ***Rafi Gregorian*** *has been underway within a context of the report that would be forwarded to the OHR and NATO. In the next 2 or 3 days it would be published as to what would happen with these persons. There are another 10 persons suspected of being a part of the network, who are still active members of the RS Army. After December 31 they will not be in the Army any longer regardless of how big their role was in the whole issue. In this way doubts that anyone from the BiH armed forces gives support would be dispersed.'* Asked whether he believes that BiH might join NATO in 2 years, he said: '*We shall be at the Summit in 2008 as least in a capacity of a guest delegation.'*

Serbian BIA filed report on its work: BIA does not know where Mladic is	**EuroBlic** pgs 2-3 'Chief of BIA does not know where Mladic is' by N. M. Jovanovic – The Head of BIA (Serbian Security-Information Agency), **Rade Bulatovic** filed a report on the work of BIA to the Serbian Assembly Board for Defense and Security and he stated BIA has no information on any secret negotiations with Hague indictees and he added any information on negotiations, deadlines or dates were untrue. Bulatovic avoided replying to the question on whether BAI has any information on supporters of Hague fugitives. **Vecernje Novosti** pg 3 'They are targeting new targets' by Zagorka Uskokovic – also reported on submitting the report on the work of BIA.
VN: search for Mladic launched in accordance with "recipe" applied in Gotovina case	**Vecernje Novosti** pg 13 'Circling around the general' by D. P. Veljkovic – A source from groups in charge of arresting of **Ratko Mladic** has stated that the search after Mladic was launched in accordance with "the recipe" applied in the case of **Ante Gotovina**, which included the participation of Interpol, Hague investigators and competent Croatian civil and military structures. The source claims Interpol is not involved in the search for Mladic because there are no indications he is anywhere abroad.

VL: B. Krnjic appointed Prosecutor in WCC in spite of fact that he was not processing cases for war crimes committed over Croats	**Vecernji List** pg 3 'He was awarded although he was hiding crimes', mentioned on cover 'He became Prosecutor although he was hiding genocide over Croats' by Z. Kresic carries that **Behaija Krnjic** has been appointed a Prosecutor in the War Crimes Chamber with the BiH Prosecution. The author expresses surprise over this promotion since according to VL information while he was previously working in the Central Bosna Canton Prosecution Krnjic was not processing cases on the war crimes committed over Croats, that he used to receive from the ICTY with label 'A'.
3 millions KM necessary for BiH's lawsuit vs. SCiG ahs been collected	**Slobodna Dalmacija** pg 15 '3 millions KM have already been collected for lawsuit' by Z. Tulic – Foundation 'Justice for BiH' has confirmed that enough money (3 millions KM) has been collected for the BiH lawsuit against SciG.