

# OHR BiH Media Round-up, 2/9/2004

<b>RADIO HERCEG-BOSNA</b> (18,00 hrs)	<b>BH TV 1</b> (19,00 hrs)	<b>FED TV</b> (19,30 hrs)	<b>RT RS</b> (19,30)
Russian hostage crisis	ICTY sentences Brdjanin	ICTY sentences Brdjanin	HR: BiH dysfunctional
ICTY sentences Brdjanin	Trial of Milosevic	Beginning of school year	ICTY sentences Brdjanin
Trial of Milosevic	Reactions to Brdjanin case	School curriculum in HNK	Trial of Milosevic
Sending BiH troops to Iraq	Russian hostage crisis	Introduction of VAT	Ovcara trial

<b>Oslobodjenje</b>	32 years of prison for Radoslav Brdjanin; Zero rate for bread and books; New politics of CIA branch in BiH?!
<b>Dnevni Avaz</b>	Budak still has a street in Mostar!; [Ivanic] BiH is not a priority for Bush; 32 years imprisonment for Brdjanin
<b>Dnevni List</b>	Thorough checking of loans granted in Hercegovacka Banka
<b>Vecernji List</b>	School with 200 pupils mined (on hostage crises in Russia)
<b>Slobodna Dalmacija</b>	Features Croatia related headline

<b>Nezavisne Novine</b>	Presidency under investigation of BiH Prosecution; 32 years of prison for Brdjanin; Books, publications and food exempted from VAT; Njegus removed Head of Administration for Property of RS Ministry of Interior
<b>Glas Srpske</b>	100,000 KM was taken by force
<b>EuroBlic</b>	32 years of prison for Brdjanin

	<b>War crimes</b>
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ICTY sentences  
Brdjanin to 32  
years clearing  
him of  
genocide  
charges

RHB, FTV, BHT 1, RTRS, **Oslobodjenje** cover splash, pg 3 'Radoslav Brdjanin sentenced to 32 years of prison' by Sense, **Dnevni Avaz** pg 2 'Radoslav Brdjanin sentenced to 32 years', mentioned on cover – On Wednesday, ICTY acquitted former Bosnian Serb political leader **Radoslav Brdjanin** of genocide charges for ethnic cleansing in north-western Bosnia, sentencing him instead to 32 years in jail for war crimes and crimes against humanity. The verdict reads that the trial chamber has not found beyond a reasonable doubt that genocide was committed in the relevant municipalities of the Autonomous Region of Krajina, and instead convicted him of aiding and abetting torture, persecution and wilful killing and instigating deportations and forcible transfers. The verdict on Wednesday comes more than two and a half years after Brdjanin's trial started and five years after his arrest carried out by SFOR. His co-defendant, **Momir Talic**, died of cancer in May 2003 before the trial ended.

**Vecernji List** pg 3 '32 years to Brdjanin' not signed, **Dnevni List** pg 2 'Brdjanin sentenced to 32 years in prison' not signed, **Nezavisne Novine**, cover '32 years of prison for Brdjanin', pg 3 '32 years of prison for Radoslav Brdjanin' by Beta, **EuroBlic**, cover '32 years of prison for Brdjanin', pg RS2 'Brdjanin was sentenced to 32 years in prison' by Srna, Reuters, **Vecernje Novosti**, pg. 17 '32 years for Brdjanin' not signed – also covered the verdict.

**Milosevic  
denies all  
charges during  
his opening  
remarks**

**RHB – Slobodan Milosevic** on Wednesday denied responsibility for the crimes he was indicted for by the Hague Tribunal. In his opening remarks before the ICTY chamber, Milosevic – who has just started with his defence – stressed that the prosecution has charged him for the crimes *“we (Serbs) did not commit, about the plans we did not make”* further claiming that the prosecution *“has mechanically connected a series of activities, of which some, naturally, are criminal, without the slightest bit of evidence”*. Milosevic now has 150 days for questioning his witnesses to defend himself.

**FTV, RTRS, BHT 1 –** ICTY Council discusses Milosevic’s medical state and possible appointment of a defence attorney in order to speed up the process. Milosevic opposed appointment of defence attorney.

ICTY Council postponed the decision.

**Oslobodjenje** pg 10 ‘Bog and justice are on my side’, **Nezavisne Novine**, pg. 3 ‘The prosecution has not presented a single evidence against’ by Beta, **Glas Srpske**, pg. 9 ‘Indictment is false and without evidence’ not signed, **EuroBlic**, pg. 12 ‘Mladic has not ordered the massacre in Srebrenica’ by A. Zivotic, **Nacional** Belgrade daily, pg. 5 ‘ One should not be deprived of the right to selfdefence over an illness’ not signed, **Vecernje Novosti**, pg. 17 ‘Collection of deceits and lies’ by Miroslav Zaric – also covered the trial.

**Masovic  
proposes FBiH  
Commission for  
Missing  
Persons to  
attend  
sessions of  
Srebrenica  
Commission**

**Oslobodjenje** pg 8 'Masovic approved to attend the sessions' by A. Avdic – According to daily, the members of FBiH Commission for Missing Persons will most probably be allowed to attend the future sessions of the Srebrenica Commission. Apparently this has been agreed at the meeting held on Wednesday between Chief of the FBiH Commission, **Amor Masovic**, and the Senior Deputy High Representative, **Bernard Fassier**. *"Mr Fassier told me that there should be no problems with regard to the attendance of our members at the meetings of Srebrenica Commission. I expect them to accept our proposal at [their] next meeting... enabling to solve the issue which have occurred after failure to find body remains at Kazani locality near Srebrenica,"* Masovic said. He added he doesn't demand for him or his people to attend all sessions of Srebrenica Commission, but just to be present during the discussions on the issue of locations of mass graves. This way, says Masovic, FBiH Commission would have a direct contact with information sources.

**Dnevni Avaz** pg 5 'Member of FBiH Commission for Missing Persons to attend Srebrenica Commission sessions' by E.S. – Masovic gave similar statement to DA.

**Oslobodjenje  
speculates  
Bjelica arrest  
signalises  
change of US  
politics in  
BiH**

**Oslobodjenje** pgs 4-05 'New politics of CIA in BiH?!', mentioned on cover, by Edina Kamenica – According to the **Oslobodjenje's** source, the arrest of **Milovan Cicko Bjelica** and **Veljko Borovina** that SFOR carried out on Tuesday signal the change of US politics with the regarding to war crimes issue in BiH. The daily's source says that this also resulted with the shift of personnel of CIA's field office in BiH, adding that the current 'Englishman with US passport' is to be replaced with 'real' American, accusing the 'Englishman' of being way too soft on war criminals and adding that British and US politics again are very different. The source adds that very soon the locations of the new mass graves will be disclosed, adding that Bjelica knows about them for sure.

**Update on  
Bjelica,  
Borovina arrest**

**Glas Srpske**, pg. 5 'Doors are closed to lawyer' by B. Gajevic – The article claims families of **Milovan Cicko Bjelica** and **Veljko Borovina** have no knowledge on their whereabouts, nor they have had a chance to get in contact with them since SFOR arrested them. Lawyer **Veljko Civos** went to Butmir SFOR base on Wednesday but says he could not get in contact with the competent legal service of SFOR, nor he was allowed to meet his client, **Milovan Bjelica**. Banja Luka lawyer **Krstan Simic** claims SFOR is not authorized to arrest suspects of aiding war crimes indictees. He says this is an act of crime and has not been foreseen by any of the Hague Tribunal acts, therefore the international forces have no grounds for what they are doing.

**Oslobodjenje** pg 4 'New politics of CIA branch in BiH?!' by A.P. – SFOR Spokesperson **Sandor Szoros** said that SFOR has started with questioning both Bjelica and Borovina, however added that they are not able to say for how long investigation will be on-going.

**RSNA Speaker  
Stojicic:  
state also  
bears  
responsibility  
for weak  
cooperation  
with ICTY**

**Dnevni Avaz** pg 4 'State is also guilty for weak cooperation with the ICTY' by M.V. – RS National Assembly Speaker, **Dusan Stojicic** commented to HR **Paddy Ashdown** statement that it will be painful for RS if it continues to fail to cooperate with the ICTY. Stojicic said that RS does everything in its power and that there is a clear readiness for cooperation. *"It is necessary to understand that responsibility of RS institutions cannot be treated as isolated, as there is responsibility of the state authorized institutions and the international factor in BiH,"* stressed Stojicic.

**Dnevni Avaz** pg 3 'Stojicic's alibi for RS' op-ed by Edina Sarac – Author refers to Stojicic's statement, saying that *"in no case state of BiH can bear any responsibility for debacle at the NATO's June summit."* She further accuses authorities in RS of bearing also responsibility for non existent state police, state army, and single intelligence. *"One should also not ignore a certain dose of panic in Stojicic's statement, probably caused by the latest statement of the High Representative Paddy Ashdown on the possibilities for new removals,"* concludes the op-ed.



<p><b>BiH has not finances for lawsuit against SCG</b></p>	<p><b>Oslobodjenje</b> pg 7 'Money for BiH lawsuit against SCG not secured yet', mentioned on cover, by <u>Az. Kalamujic</u> – Daily reads that money to finance processing the case of BiH's lawsuit against Serbia and Montenegro for genocide and aggression has not yet been secured. This has been confirmed by <b>Sakib Softic</b>, BiH's agent in this case. He also warns that unless the International Justice Court in the Hague doesn't schedule hearing this fall, the team of domestic and foreign lawyer could have major financial difficulties. According to Softic, BiH needs in total 3,2 milion KM to finance the lawsuit.</p>
<p><b>US Ambassador to SCG: Mladic is not in Serbia</b></p>	<p><b>RHB, Oslobodjenje</b> pg 10 'Mladic is in SCG' by <u>Onasa</u>, <b>Dnevni List</b>, pg 25 'American ambassador claims Ratko Mladic is in Serbia', <u>not signed</u>, <b>Vecernje Novosti</b>, pg. 5 'Mladic is in SiCG' by <u>Tanjug</u> – the US Ambassador to Serbia and Montenegro, <b>Michael C. Polt</b>, stated in an interview to the Belgrade-based 'Cord' magazine that general <b>Ratko Mladic</b>, who is wanted by the ICTY, was on the territory that is under jurisdiction of Serbia and Montenegro. According to Ambassador Polt, the US believe that the decision whether Mladic ends up in The Hague is exclusively down on the Serbian Government.</p>

	<p><b>Security and military issues</b></p>
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BiH Presidency  
discuss  
deployment of  
BiH troops to  
Iraq RS

RHB, BHT 1, FTV, Oslobođenje pg 8  
'Appointed generals got ranks of  
generals' by A. Terzic, Dnevni Avaz pg  
2 'Deminers are going to Iraq only when  
there are adequate reasons for that' by  
A.M. Vecernji List pg 2 'De-miners to  
Iraq even before state law' by D.  
Jazvic – The Croat member of the BiH  
Presidency Dragan Covic announced that  
the BiH liaison officer will go to the  
USA soon in order to agree details with  
regard to sending of BiH soldiers to  
Iraq. According to Covic, the exact  
date of their departure has not been  
defined yet and adoption of the state  
law on participation of BiH in  
international police and military  
missions is not a pre-requisite for it.  
RTS – Asked by the journalist how BiH  
troops can be deployed to Iraq without  
the state previously adopting the law  
on involvement of BiH citizens in  
international peacekeeping missions,  
Covic answered: *"Presidency has made  
all necessary decisions to send our de-  
mining unit to Iraq. A whole process of  
logistic oriented activities is ongoing  
to evaluate when that can happen.  
Conditions have to be adequate for  
their work in Iraq because it is clear  
that de-miners cannot work in the areas  
of conflict. It all depends on our  
professionals working in logistics, and  
our liaison officer who needs to go to  
USA as a preparation for such a trip,"*  
says Covic.

**BiH Presidency  
award ranks of  
generals**

**Oslobodjenje** pg 8 'Appointed generals got ranks of generals' by A. Terzic, **Vecernji List** pg 2 'De-miners to Iraq even before state law' by D. Jazvic and **Dnevni List** pg 5 'General state auditor was appointed' not signed – The BiH Presidency adopted the decision on generals' service in the BiH armed forces and passed the decision on appointment, promotion etc. for the persons appointed within the BiH defence system. Croat member of the BiH Presidency **Dragan Covic** stated that, formally, all obligations from the defence reform, which are considered prerequisites for BiH's joining Partnership for Peace, were met and operative things only should be finished now.

**RHB, BHT 1, FTV, Dnevni Avaz** pg 2 'Deminers are going to Iraq only when there are adequate reasons for that' by A.M. – also covered the issue.

<p><b>Intelligence works demand annulment of SIPA vacancy announcements</b></p>	<p>FTV, RTRS, Dnevni Avaz pg 2 'Annul SIPA vacancy announcements' <b>Oslobodjenje</b> pg 3 'Illegal vacancy for positions in SIPA' by Fena – Trade Unions of the employees in state institutions, judiciary and public services in FBIH and Trade Union of RS Interior Ministry, as well as the unions of former FOSS and OBS employees, discussed the legal status of its members that were transferred to the State Intelligence Agency [OSA]. The discussion also pointed out to the issue of vacancy announcements with the SIPA, saying that the process is illegal. <i>"Trade Union demands legal action and annulment of this competitions and announcements, and issuing first internal announcement and distribution of the positions from among those employees of former FOSS and OBS [entity intelligence services] who have still not been appointed to some positions,"</i> reads the press announcement from the Unions.</p>
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<p><b>RS Police Director removes Head of Administration for Property of RS MoI</b></p>	<p><b>Nezavisne Novine</b>, cover and pg. 6          ‘Njegus removed Head of Administration          for Property of RS Ministry of          Interior’ by <u>P. Klincov</u> – RS Police          Director <b>Radomir Njegus</b> on Wednesday          dismissed <b>Milovan Djuric</b>, the Chief of          Administration for material, finance          and property issues of RS MoI, over          alleged irregularities in the work of          the Administration determined by RS          auditors. A collocutor close to the top          of RS Ministry of Interior claims that          this was an attempt to transfer the          responsibility for irregularities to          the Administration, despite to the fact          that the process of irregular          procurements has been done through the          Minister’s Office. Chief auditor          introduced the RS Prime Minister <b>Dragan          Mikerevic</b> with the report and EUPM and          OHR are interested in dismissal and          spoke about it with Mikerevic on          Wednesday.</p> <p><b>RTRS</b> by <u>Sinisa Mihajlovic</u> – <i>“I haven’t          read it, I haven’t had the opportunity.          I will see it definitely”</i>, says Radomir          Njegus RS Police Director, commenting          to the audit report.</p>
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**Njegus  
promises  
journalists to  
answer their  
questions  
raised at  
protests**

**Nezavisne Novine** pg 6 'Radomir Njegus promised some answers' by V.I.; **Glas Srpske** pg 3 'I did not insult the journalists' – The RS Police Director, **Radomir Njegus** commented on requests made by the Coordination of BiH Associations of Journalists saying that his words had been taken out of the proper context. Njegus, however, addressed an apology to journalists who were insulted after the most recent press conference by the RS MoI. He said: *"I regret if journalists understood my statement that way, and it did not sound and was not like that. I would, therefore, like to apologize if that is how they understood it. I did not say nor had in mind anything like that."*

**Nezavisne Novine** pg 6 'Journalists welcomed the apology' – The Coordination of BiH Associations of Journalists yesterday welcomed the apology addressed by Njegus.

<p><b>Radovanovic meets German counterpart</b></p>	<p><b>Dnevni Avaz</b> pg 3 'Germany is interested in BiH's admission to PfP' by <u>Fena</u>, <b>Nezavisne Novine</b> pg 2 'Radovanovic and Struck on EU Mission to BiH' by <u>SRNA</u> – <b>Nikola Radovanovic</b>, BiH Defence Minister, during his visit to Germany, yesterday met with his German counterpart, <b>Peter Struck</b>, and discussed readiness of Germany to provide support to BiH in its attempts to join Euro Atlantic integration as soon as possible. According to press release issued by BiH Defence Ministry, <b>Struck</b> pointed out the fact that EU forces take over the mandate indicates the end of the international presence in BiH, noting that BiH is expected to take an active role in further reform processes.</p>
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**SBS Director  
on control of  
BiH borders**

**Oslobodjenje** pg 9 'There are problems with the control of eastern border', mentioned on cover 'Problems with eastern border' by Az. Kalamujic – Director of the State Border Service BiH [SBS], **Nijaz Spahic** confirmed for daily that there are problems with the control of one part of BiH's border with Serbia and Montenegro. Daily writes that day after the High Representative **Paddy Ashdown** has warned that 15 km of border with SCG has been unmonitored and free for criminals to pass, Spahic admits that SBS is not able to maintain full security of border with SCG both men and equipment wise. **Oslobodjenje** further reminds of articles that it has published recently and warning that uncontrolled areas of border with SCG has been used for war criminals at large to cross the borders without a danger of being captured, specifically referring to the Foca, Visegrad, Zvornik and Trebinje areas. Spahic also points that SBS still needs 300 officers, but that the budget approved for this year doesn't allow this large recruitment which would enable full security of borders.



<p><b>Mission of EU troops to BiH to cost 72 million Euros</b></p>	<p><b>Dnevni Avaz</b> pg 2 'EUFOR will cost 72 million Euros' by S.N. – The Chief of EU troops HQ, which take over peacekeeping mandate in BiH at the end of this year, German admiral <b>Reiner Feist</b> addressed the European Parliament's commission for security and defence, talking to them about the upcoming mission to BiH. He said that 7000 troops will take over from SFOR while the mission will cost 72 million Euros.</p>
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**BHT 1 on  
surplus of  
weapons in BiH**

**BHT 1** by Laura Bosnjak – One of the conditions for BiH's admission to the NATO's programme Partnership for Peace is elimination of excessive weapons. To complete the first phase of such project, BiH needs 9,15 million KM, but the state has no such finances. **Dragan Covic**, member of the BiH Presidency, says that State will have to find finances as but surplus weapons destruction and military reforms are necessary to join PfP. **Patrick Clarke**, SFOR Lieutenant Colonel, says that strict conditions are a part of process which will lead BiH to PfP. Sale of excessive arms would be the simplest solution, but this possibility has been rejected as it would harm the BiH image before the rest of the international community. **Enes Becirbasic**, Deputy BiH Defence Minister stated that BiH doesn't wish to trade arms with countries of high risk. SFOR has welcomed the decision to stop sale of arms. **Antonio Prlenda**, military analyst for Oslobodjenje daily believes that NATO might show flexibility in case that BiH fails to destroy excessive weapons soon, but only if BiH fulfils certain conditions such as the arrest of war crime suspects at large and fulfilment of 65% of positions with the common defence institutions.

**Police  
Restructuring  
Commission  
holds session**

**Nezavisne Novine** pg 6 'They are searching for the best model of organisation' by V. Iliktarevic – The meeting of the Commission in charge of restructuring the police forces in BiH resumed in Banja Luka on Wednesday discussing the most acceptable European model for the organization of police forces that could be applied in BiH. This was confirmed by the RS Police Director, **Radomir Njegus**, who stressed that the presentation of 7 different models of organization of police forces had been made. He added: *"After the presentation, members of the Commission discussed, in separate working groups, the positive and negative experiences concerning those models. The goal is to work out the most acceptable model."* He expressed his view that the Belgian and the German model would be most acceptable for BiH. *"The first draft concept of the future organization of police forces in BiH will be verified shortly."* According to **Bernard Prestl**, a member of this Commission, the first day of its session discussed the Report on the functional reviews of police forces in BiH. This Report is general, in his words, as it is an assessment of police forces at the state level. One of the comments made by domestic members of the Commission with regard to the Report was that the attention given to the level of Entities was not sufficient.

	Economic issues
Eronet accuses RAK of destroying its business	<p><b>RHB, Oslobođenje</b> pg 10 'Decisions of RAK lead company to disaster' by <u>Onasa</u>, <b>Dnevni Avaz</b> pg 9 'Knezevic accuses RAK that it wants to destroy Eronet' by <u>F. Vele</u>, <b>Dnevni List</b> pg 3 'Cooperation between Eronet and HT to satisfaction of clients', mentioned on cover, by <u>J. Petrovic</u>, <b>Vecernji List</b> pg 3 'Bozo Knezevic: RAK in BiH is destroying Eronet' by <u>Z. Kresic</u>, <b>Slobodna Dalmacija</b> pg 13 'Eronet without new numbers' by <u>Z. Zekic</u>, <b>Nezavisne Novine</b>, pg. 5 'Decisions of RAK are destroying Eronet' by <u>Onasa</u>, <b>Glas Srpske</b>, pg. 2 'Bread at "zero"' <u>not signed</u> – Leading people of Eronet told a press conference in Mostar on Wednesday about the current situation in this company and the problems that it faces with such as the ban on sale of new numbers and using the frequency of 1800 MHz. The Eronet's management blamed the decisions of the Communications Regulatory Agency's [RAK] decisions for this situation. Talking about the awarding the third GSM license, Eronet Director <b>Bozo Knezevic</b> stated that it is still possible to lodge an appeal to the RAK's decision to issue the 3rd GSM license to HT Mostar, however, according to Knezevic, in spite of this situation it is certain that their clients will not be deprived of Eronet's services at any time. Knezevic also said that the joint appearing of Eronet and HT Mostar at the BiH market is possible.</p> <p><b>FTV</b> – RAK claims that only HT can demand the additional amount of assigned numbers being that HT has been awarded with the concession. RAK Spokesperson, <b>Amela Odobasic</b> said that in his answer to Prlic, RAK General Director <b>Kemal Huseinovic</b> clearly stressed that block of numbers can be authorized only for the licensed operators.</p>

<p><b>Zero rate VAT for books and bread</b></p>	<p><b>BHT 1, Oslobođenje</b> pg 6 'Zero rate for bread and books', mentioned on cover, by <u>V. Zivak</u>, <b>Dnevni Avaz</b> pg 2 'Zero rate for books and publishing' by <u>H. Orahovac</u>, <b>Slobodna Dalmacija</b>, pg 6 'Kragulj: Three rates of VAT are staying', by <u>Fena</u>, <b>Dnevni List</b>, pg 3 'Amendment to zero VAT rate', <u>not signed</u>, <b>Nezavisne Novine</b> cover 'Books, publications and food exempted from VAT', pg 2 'Books and food exempted from VAT' by <u>M. Rener</u>, <b>Glas Srpske</b>, pg. 2 'Bread at "zero"' <u>not signed</u> – The Commission for finances and budget of the BiH Parliament's House of Representatives adopted at a session held in Sarajevo yesterday a Proposal of law on VAT with one important change, stated the Commission Chairman, <b>Nikola Kragulj</b>. He explains that the change is in the article 23, which deals with applicable rate(s) i.e. the single VAT rate has been dropped and instead there will be three rates. The first rate will be a standard one, set at 18%, the second one is reduced at 8% and will be applied on inputs for agricultural production, whilst the third rate is zero rate and will be applied on basic groceries, medicines, books and publishing. The Proposal of the law will be discusses by the BiH HoR at a session scheduled for September 7.</p> <p><b>FTV</b> – FTV comments that serious preparations are being made for implementation of VAT, which was marked as one of the most serious tasks that BiH has to accomplish. Even more serious were the remarks and objections to the first proposal of the Law, but it seems that all will be resolved in favours of both sides.</p>
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<p><b>BH Presidency appoints Chief Auditor</b></p>	<p><b>FTV, RHB, RTRS, Dnevni Avaz</b> pg 2 ‘Deminers are going to Iraq only when there are adequate reasons for that’ by <u>A.M.</u> – BiH Presidency held a session on Wednesday and appointed <b>Milenko Sego</b> as the Chief Auditor of the Office for Auditing BiH Institution. The duration of this mandate has stayed unknown.</p>
<p><b>BiH Association of Farmers postpones protests</b></p>	<p><b>FTV, Slobodna Dalmacija</b>, pg 16, ‘Farmers postpone protests’, by <u>B. Kristo</u> – According to the President of Association of BiH Farmers, <b>Ranko Bakic</b>, <i>“at the moment, there are no reasons for protests of farmers because the application of new customs tariffs has come to life”</i>. He further explains that the Indirect Tax Authority has forwarded all the customs offices an instruction on application of new customs tariffs, and that the application has already started, therefore the farmers are giving up the earlier announced protests. Still, Bakic notes the Association will monitor the situation in the next three months.</p>

**DL update to  
Hercegovacka  
Bank case**

**Dnevni List** pg 6 'Thorough checking of loans granted in Hercegovacka Banka', mentioned on cover, by N. Dedic – According to the sources close to the BiH Prosecution, Prosecutor **John McNair** who is the Head of the Special Department with the BiH Prosecution announced a comprehensive investigation on the Hercegovacka Banka case before the beginning of the trial against suspects in the HB case **Ante Jelavic, Miroslav Prce** and **Miroslav Rupcic**. The author says that the fact that Croat member of the BiH Presidency **Dragan Covic** and Mostar Deputy Mayor **Ljubo Beslic** have been questioned with regard to this case substantiate the aforementioned claim. According to the information coming from the BiH Prosecution, issuing of new bills of indictment against former head of HB Ivica Karlovic, Father Ivan Sevo, Ivan Medic, Ljubo Cesic Rojs and Ivica Azinovic has been announced.

<p><b>DL update to 'sugar affair'</b></p>	<p><b>Dnevni List</b>, pg 8 'Herzegovinians falsely accused on 'sugar affair''?', mentioned on front, by <u>Marko Karacic</u> – According to <b>Petar Corluka</b>, the owner of 'Prodex' Company of Grude that was mentioned as one of companies that illegally exported sugar to the EU, no investigation team has come to visit his company because there was no need for that, since they have been convinced in the customs that there were no export of sugar. <i>"As far as I know, no company in BiH exported big quantities of sugar, as it was said in the beginning"</i>, says Corluka. DL also carries the spokesperson of the EC in BiH, <b>Frane Maroevic</b>, as saying that an investigative team is still working on the case with great cooperation with domestic authorities, but he could not talk about any details since the case has been transferred onto the BiH Prosecution. However, DL learns from unofficial sources that the situation is not as dramatic as speculated in the beginning. A source close to the investigation notes that the investigation at the moment points out to companies in the Republika Srpska. DL also reports that the word is that there will be 20 suspects, however the precise information will be available once the investigation has been completed.</p>
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	<p><b>Political issues</b></p>
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**Reactions to possible changes of BiH Constitution**

**Dnevni Avaz** pg 4 'BiH like this cannot survive' by M. Drinjakovic – DA brings reactions to the statement by HR **Paddy Ashdown**, *"which says that issue of dysfunctional BiH must be address, hinting that change of the Constitution would be the best change."* **Beriz Belkic** from Party for BiH says that there are "conditions for public debate and for BiH Parliament to open such discussion in order to start looking into the models of solution to the problem." SDA Vice President **Elmir Jahic** says that he agrees that it is a time to hold constructive dialogue on constitutional changes stressing that the current structure is too complicated. The President of SPRS, **Petar Djokic**, also believes that current BiH structure is too expensive and that certain changes must be made, stressing that this is possible only through consensus. HDZ President **Barisa Colak** repeats that HDZ is in favour of constitutional changes but that a solution satisfying all must be found. SDU Leader **Miro Lazovic** believes that BiH cannot join EU with current Constitutional structure.

**Dnevni Avaz** pg 4 'State is also guilty for weak cooperation with the ICTY' by M.V. – RS National Assembly Speaker, **Dusan Stojicic**, says that current BiH constitution provides sufficient *"legal and institutional framework to fully implement all obligations in the process of joining European integrations."*

**Nezavisne Novine**, pg. 3 'Stojicic: the Dayton is enough to enter EU' by D. B., **Vecernje Novosti**, pg. 5 'Through Dayton to Brussels' by M. L. – *"I think opening of this dialogue would now be counter-productive, especially if one concludes in advance that something is needed for this process,"* Stojicic emphasised.

**RTRS** brought inserts from Ashdown's interview with Dnevni Avaz published on Wednesday.

<p><b>NN op-ed on Ashdown's statement regarding BiH being dysfunctional</b></p>	<p><b>Nezavisne Novine</b> op-ed pg 7 'Somebody must step back' by <u>Josip Blazevic</u> – The author is beginning the article by saying that the latest statement by <b>Paddy Ashdown</b> (that our state is not functioning well) is in a diametric contrast with the statement HR spoke out a week ago, when he was informing the public about the OHR downsizing, because BiH has achieved a progress over the past years towards its statehood and normalisation of relations. The author further claims that BiH public has no confidence in the authority it elects. He claims the international community in BiH has taken over the duty of decision-maker. According to <u>Blazevic</u>, it is up to IC to point out how a functional mechanism can be made out of non-functional mechanism. The author concludes the editorial by saying that <i>"since he is here and has the power and mechanism for that, he should encourage local authority even more to take its job more seriously. Otherwise, he should step back. High Representative or authority, it is all the same."</i></p>
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<p><b>Education issues</b></p>	<p><b>Vecernji List</b>, pg 6 'Schools will split money via tenders', by <u>ik</u> – VL notes that 30.000 KMs has been collected as a result of sanctions that the High Representative for BiH, <b>Paddy Ashdown</b>, passed to the HDZ of West-Herzegovina Canton in the process of adoption of the cantonal education laws. VL reminds that the High Representative also ordered an establishment of a commission that would be made of prominent people from public and social life, which would be led by the Canton 8 Education Minister <b>Jozo Maric</b>, which will decide how to spend the money. However, due to summer holidays, the commission is yet to be established, and according to the Canton 8 Education Ministry, the commission will be appointed in few days time. After the commission has been appointed, it will invite tenders in which the schools will submit their programmes/projects.</p> <p><b>FTV</b> – The feature addresses the issue of different curriculum for students of Bosniak and Croat nationality in the schools of the Herzegovina Neretva Canton.</p>
<p><b>Terzic meets Prodi in Libya</b></p>	<p><b>FTV, Dnevni List</b> pg 2 'Terzic talked to Prodi in Libya' <u>not signed</u> – During his visit to Libya Chairman of the BiH Council of Ministers <b>Romano Prodi</b> talked with the EC President <b>Romano Prodi</b>. Terzic informed Prodi that BiH submitted the report on meeting of 16 prerequisites defined by the Feasibility Study to EC Commissioner in charge of European Commission External Relations <b>Chris Patten</b>. Terzic stressed that passing of legal projects was done in 6 months although the EC was expecting it would be done as late as at the end of the year. Prodi expressed belief that the current EC composition will analyse the report by the end of the mandate and stressed that there is the support to the BiH's intention to get a consent by the end of the year and starts negotiations for signing of the agreement on stabilization and accession.</p>

**NN: Presidency  
is under  
investigation**

**Nezavisne Novine**, cover 'Presidency under investigation of BiH Prosecution' and pg. 5 'BiH Presidency under an investigation of the Prosecution' by N. Krsman – BiH Prosecutor's Office yesterday confirmed that state investigators are conducting an investigation in financial transactions of BiH Presidency in 2003. The investigation has been brought upon the Audit Report on the Work of the collective head of the state, which has determined that the Presidency has misspent 450,000 KM from the budgetary reserves. The Prosecution emphasises that they face a problem of the lack of original documents, i.e. bills. The Prosecution also says it is certain that the members of BiH Presidency had not ordered these financial transactions, but orders for these payments were signed either by Heads of Cabinets or employees of BiH Presidency Secretariat.

**Update to  
Mostar City  
Administration  
downsizing**

**Dnevni List**, pg 12 'New job or 10.000 KMs', by Sanja Bjelica – According to the Mayor of Mostar, **Hamdija Jahic**, a working group that will come up with draft programme of taking care of surplus workers in the City administration of Mostar (CA) will be established soon, and the group will be consisting of representatives of the CA, Unions and representatives of the Canton 7. Mayor Jahic explains that the World Bank has promised help in the process, that city of Vajle has also promised help, however the main burden will be on the City of Mostar. According to **Nihad Gusa**, a representative of the FBiH Unions for state employees, the surplus workers will be taken care of in many ways. Gusa says the main objective is to find jobs in other institutions, and in cases that's not possible, there will be efforts the aim of which is to start businesses for the surplus workers. *"With the severance pay of 10.000 KMs, one man cannot start a business, but if several of them join forces, they can start a company"*, says Gusa.

**Slobodna Dalmacija**, pg 6 'Plan of taking care of surplus workers in necessary', by M. Landeka – notes that the Union of employees in the CA has requested the Mayor and Deputy Mayor of Mostar to immediately or by September 10 the latest appoint a commission that will prepare the programme that will take care of surplus workers.

<p><b>Political parties in Stolac meet to discuss issues</b></p>	<p><b>Oslobodjenje</b> pg 5 'SDA insists to discuss the causes of the crisis' by <u>A.B.</u> – Leaders of SDA, HDZ and SDP in Stolac met on Wednesday to discuss the situation in the city, concluding that all problems that occur must be solved through institutions. The Chairman of the Stolac Municipal Council, <b>Zoran Turkovic</b>, says that issues such as employment of Bosniaks, removal of crosses from Stolac Old City and national symbols will be discussed also at the Council's session. The representatives of authorities also agreed to hold one meeting each week, and Turkovic Comments that this will mean more of cooperation: <i>"This way HDZ and SDA leaders will speak on measures needed to be implementation in Stolac in a more concrete manner. SDA will again insist to discuss the causes and not consequences of the problem,"</i> says Turkovic.</p>
<p><b>DA on street names in Mostar</b></p>	<p><b>Dnevni Avaz</b> cover splash 'Budak still has the street in Mostar', pg 3 'Mile Budak still has the street in Mostar' by <u>F. Vele</u> – DA cover page story refers to the decision of the Croatian authorities to remove monuments to notorious 'creator of race laws' <b>Mile Budak</b>, while one of the biggest streets in Mostar [near hotel Ero] still carries his name. Nobody but the Unified Veterans Organization in Mostar reacted.</p>
<p><b>Ivanic: BiH is not a priority for US Administration</b></p>	<p><b>Dnevni Avaz</b> pg 5 'If Bush wins, the Balkans and BiH will not be US priority', mentioned on cover 'BiH is not priority for Bush', by <u>Fadil Mandal</u> – In an interview to DA, BiH Foreign Affairs Minister, <b>Mladen Ivanic</b>, who attends the Republicans convention in New York, talks about his impressions of the Republicans image in US currently. In addition, he adds that the Balkans and BiH are not the priority for the Administration of current US President <b>George Bush</b>.</p>