OHR BiH Media Round-up, 29/6/2004

| RADIO HERCEG | BH TV 1 (19,00 | FED TV (19,30 | RT RS (19,30) |
|---------------------|-----------------------|-----------------|------------------|
| BOSNA (18,00 | hrs) | hrs) | |
| hrs) | | | |
| EUFOR in place | NATOSummit | Summit in | EUFOR instead of |
| of SFOR | | Istanbul | SF0R |
| Statement of | Indictment | Audit reports | Cavic on PfP |
| Cavic | against Fazlic | | |
| Statement of | 7 Bosniaks | Indictment | Tadic won |
| Mesic | released | against Fazlic | elections |
| BiH micro credit | President of | Session of FBiH | RS Army |
| organizat. | Serbia | Parliament | celebrates |

| Oslobodjenje | Indictment filed against Asim Fazlic | | |
|---------------|---|--|--|
| Dnevni Avaz | End of SFOR peacekeeping mission | | |
| Dnevni List | Karadzic and debatable citizenships putting distance | | |
| | between BiH and Partnership for Peace | | |
| Vecernji List | Europe to take care of security of BiH | | |
| Slobodna | RS and FBiH Police to be abolished? | | |
| Dalmacija | | | |
| Glas Srpske | Destruction of Orthodox temples in F BiH: They were | | |
| | destroying whenever they wanted; Sarajevo : Fazlic | | |
| | charged | | |
| Nezavisne | NATO Summit decision: BiH was not invited to join PfP; | | |
| Novine | SFOR running investigation against RS police director: | | |
| | Njegus is collecting money for the Hague indictees; Boris | | |
| | Tadic as new President of Serbia: Citizens have chosen | | |
| | the path towards Europe; BiH Prosecutor's Office: | | |
| | Indictment against Fazlic brought | | |

BiH-NATO-EUFOR-PfP

NATO approves handover of BiH mission to EU

Herceg Bosna Radio, BHTV, FTV, RTRS, Oslobodjenje pg 5, mentioned on cover 'To PfP some other time', Dnevni Avaz cover page 'End of SFOR peacekeeping mission', pg 3 'SFOR mandate in BiH ends', ONASA/AFP — NATO leaders agreed Monday to wind up its SFOR peacekeeping mission in BiH at the end of the year and welcomed the European Union's offer to take it over, a statement said. "The decision to end NATO's nine-year mission in BiH marks its success in ending the war and keeping the peace in that country," they said after the first session of a two-day Alliance summit in Istanbul. "We welcome the decision of the European Union to mount a new operation in BiH, and look forward to continued cooperation," they added. The NATOled multinational peacekeeping force was deployed in BiH in December 1995 after a US-brokered peace deal ended the former Yugoslav republic's three-and-a-half-year war, which claimed some 200,000 lives.

Solana, Scheffer meet over BiH

Dnevni Avaz pg 3 'EUFOR coming represents a big event' — BiH was the topic at a meeting of NATO Secretary General Jaap de Hoop Scheffer with EU High Representative for Foreign Policy and Security Javier Solana in Istanbul on Monday. "This was a great day for BiH. EU becomes military engaged in the country. This is a gesture by which we want to show our commitment to see a stable BiH in the European and Euro-Atlantic family," Solana told journalists after the meeting. Scheffer said that he and Solana would visit BiH on July 15 to demonstrate they were together in peace building mission in BiH.

NATO Summit in Istanbul , BiH does not join PfP

Slobodna Dalmacija, pg 2 'SFOR mission in Bosnia concluded', mentioned on front, by <u>H, **Vecernji List**, front and pg 2</u> 'Europe to take care of security of BiH', by Zoran Kresic, Dnevni List, front and pg 2 'Karadzic and debatable citizenships putting distance between BiH and Partnership for Peace', by Miso Relota — A two-day NATO Summit that gathers representatives of 26 member countries and 20 countries members of the Partnership for Peace (PfP) started in Istanbul yesterday. At a joint press conference with the NATO SG, Jaap de Hoop Scheffer, the EU High Representative for Common Foreign and Security Policy, Javier Solana, stated that the EU's goal was to help the people in BiH and get it closer to NATO and EU. The Summit decided that NATO would end its mission in BiH by end of year, and that EU forces would replace it. According to BiH Security Minister, Barisa Colak, the decision was expected. Furthermore, Minister Colak says the issue of possible presence of Islamic terrorists close to Al Qaeda will also be discussed at the Summit. "We have to handle the issue seriously. According to our current data, there are no signals that could be worrying, but we have to be careful. When it comes to that, we have to put in function all the security and Police services. We will intensify the work within the anti-terrorist team and close down enquiries into dubiously awarded citizenships", said Colak. As expected, BiH will not joining the PfP at the Summit, however Minister Colak says BiH will be a step closer to the PfP after the Summit. VL notes that the High Representative for BiH, Paddy Ashdown, will unveil his decision related to sanctions against the RS most probably today or tomorrow the latest. In that context, VL says the Speaker of RS NA, Dragan Kalinic, will be joining the list of removed officials, whilst as far as the RS Interior Minister Zoran Djeric is concerned, whose units 'suddenly' started operations of capturing war criminals, his destiny remains uncertain.

Nezavisne Novine cover and pg 3 'BiH were not invited to join PfP'; Glas Srpske pg 2 'Partnership according to merits' — According to NN, Nikola Radovanovic, BIH Defence Minister, yesterday confirmed that BiH was not invited to join NATO programme PfP at the Istanbul Summit. He said: "At the NATO Summit, BiH is only mentioned in the context of the international operations. Decision was passed regarding completion of SFOR mandate and transfer of duties onto EU forces. Only in this context BiH would be mentioned at the Summit."

Dailies further bring extracts from press release issued from NATO Summit.

Ashdown supports NATO decision

Oslobodjenje pg 7 'EUFOR will help preservation of peace in BiH', Dnevni Avaz pg 3 'Ashdown supports NATO decision', Nezavisne Novine pg 3 'Ashdown supports replacement of SFOR with EU forces', Vecernji List, pg 2 'Ashdown's support to Istanbul decision', by f, FENA – I fully support the decision taken by NATO ministers in Istanbul, High Representative Paddy Ashdown said on Monday. "The NATO force in Bosnia — now largely made up of European troops — has completed its mission to help stabilise Bosnia following the tragic conflict of the 1990s and is now departing. This is a remarkable achievement," he said. "The EU is planning to send a force in its stead that will be part of the wider and long-term EU commitment to helping Bosnia integrate into Europe. But this EU-led force will also help guarantee the peace that NATO has played such an important role in securing. The EU led force will work closely with NATO and the NATO presence that will remain in BiH," Ashdown concluded.

HR's interview to HRT

EuroBlic RSpg 1 'Ashdown: Tragic thing is that RS is ignoring Tribunal' — Report carries some pieces from interview Paddy Ashdown, High Representative to BiH, gave to HRT, when he said that RS should be commended for having accepted joint BiH army command, noting "it is tragic thing that RS keeps refusing to cooperate with the ICTY".

Tihic meets with Srezer, Schroeder in Istanbul

Dnevni Avaz pg 2 'Germany to assist SIPA, SBS' by S. Numanovic
 BiH Presidency Chairman Sulejman Tihic, who heads the state
 delegation attending the NATO Summit in Istanbul, met on
 Monday with Turkish President Ahmet Nedzet Sezer and German
 Chancellor Gerhard Schroeder. "The both were interested in
 situation in BiH, progress in implementation of reforms and
 our future plans," Tihis said adding that the both countries
 are ready to support BiH reforms and the country's integration
 into Europe . Tihic emphasized that certain sanctions could
 be expected against RS because it was the main culprit for
 BiH's non-admission into PfP.

Oslobodjenje's Sagolj says key SDS/RS politicians must be removed

Oslobodjenje pg 2 'Crime and punishment' In Focus column by Mirko Sagolj. Sagolj reminds that BiH was not admitted into PfP at the NATO Summit in Istanbul due to a lack of cooperation with ICTY by RS. "Therefore the punishment announced by HR Paddy Ashdown must be very concrete. If SDS and top RS politicians including Dragan Kalinic, Borislav Paravac, Dragan Cavic, Mladen Ivanic, Dragan Mikerevic, Njegus, Djeric...- who are all Karadzic's wartime allies and political followers — remain in power BiH cannot be part of the democratic, civilised world," concludes Sagolj.

Ivanic on possible sanctions against RS

Dnevni Avaz pg 5 'I am against ban of SDS' by Sead Numanovic —
In an interview with Dnevni Avaz, BiH Foreign Minister Mladen
 Ivanic described allegations on possible removal of RS
 Interior Minister Zoran Djeric as pure speculations since
Djeric had done more (to improve cooperation with ICTY) than
all of his predecessors. "We will see what decisions will be
 made by the High Representative and the PDP reaction will
depend on how balanced these decisions will be," said Ivanic.

SD on failure to arrest Karadzic, join PfP

Slobodna Dalmacija, pg 14 'Another 'historic' deadline failed', by Aleksandar Macanovic — Speaking about the failure to arrest Radovan Karadzic by Istanbul Summit and possible sanctions as a result of the failure, the author says the word is that the biggest casualty could be the Speaker of RS NA and President of SDS, Dragan Kalinic. However, the author notes that careful analysts would not bet on it, "because Ashdown needs Kalinic as embodiment of the wartime leadership of SDS, who will be constantly accused for the failure to arrest Karadzic". According to SD, the RS President Dragan Cavic can "sleep tightly", after his statement on Srebrenica events.

Cavic on NATO Summit , PfP

Herceg Bosna Radio, BHTV, RTRS, Nezavisne Novine pg 3 'Cavic: BiH in PfP by the end of this year'; EuroBlic RS pg 1 'Cavic: RS will not be a payment currency', Dnevni List, pg 14 'Issue of war crimes should be transferred from politics into area of justice', Vecernji List, pg 2 'Politicians from RS assess sanctions as unacceptable', by bs, Oslobodjenje pg 4 'BiH will join PfP by the end of this year' — Dragan Cavic, RS President, yesterday expressed conviction that BiH would have been admitted into PfP by the end of this year. Cavic reminded Croatia was admitted into PfP membership at the time it had even bigger duties towards the ICTY than RS and BiH have now. On this he adds: "This proves there are double standards in any regard, including admission into PfP. How could Croatia have been admitted into PfP at the time it had many unfulfilled obligations towards the ICTY."

He also rejected assessments saying that RS would be mostly responsible if BiH were not admitted into PfP. He added: "RS is not responsible. It had faced certain problems in this regard, but much more has been done over the past year on this field than it had been done by any previous Government composition."

According to **EuroBlic**, **Cavic** also stated that the life in RS would continue after NATO Summit, because Serb people has created and maintained its institutions by means of unbroken will and desire.

Mikerevic on NATO Summit

Nezavisne Novine pg 3 'Mikerevic: Sanctions would be wrong move', Dnevni List, pg 14 'Issue of war crimes should be transferred from politics into area of justice', Vecernji List, pg 2 'Politicians from RS assess sanctions as unacceptable', by bs, Oslobodjenje pg 9 'Destiny of politicians less important than destiny of RS' — Dragan Mikerevic, RS Prime Minister, yesterday in Banja Luka stated that sanctions (over eventual non-admission into PfP) against RS would be "wrong move". He added: "None of us is so important as RS is. There are so many of us that if necessary, we will make sacrifice for RS."

He stressed he could not accept the fact that only RS must face eventual consequences, but instead responsibility should be shared with others. (Glas Srpske carries these two statements by Mikerevic and Cavic in one article on pg 2 'We are not mainly responsible')

Kalinic on possible sanctions against RS, SDS

Glas Srpske pg 2 'Penalty as reward?' — In a mini-interview to Glas Srpske, Dragan Kalinic, SDS President, stresses that over the past period, SDS and RS have done a lot regarding the implementation of various reforms. He adds that through democratic elections, SDS has become an integral part of many institutions and bodies, constitutional authority bases, owing to which reason those cannot function without SDS in the same manner.

He stresses that "SDS, not RS, will be penalised over BiH non-admission into PfP".

He adds many SDS officials find the way out in radicalisation of further activities, expressing his disagreement with this. Accordingly, SDS would wait to see final outcome of NATO Summit. On possible sanctions he says: "Those who are trying to suspend election and political will of citizens of RS, are violating civic and democratic rights and also destroying democratic structures of RS and BiH. Accordingly, those measures are directed against RS and a large percentage of election will. The crisis, which may result from such undemocratic actions would have negative consequences for the RS and BiH, and radical measures would be possibly reinstated."

On international audit into SDS dealings, he says that he has not seen the report, noting it is not a surprise to see such reports get in public before they are offered for read out to those mentioned in report. He stresses: "I am responsible for central, main account. I still claim there is no basis for any suspicion into eventual illegal money wasting."

He concludes the interview by saying that following the audit report, a complete centralisation of all SDS accounts will follow.

NN Op-ed on Ivanic and NATO Summit

Nezavisne Novine op-ed pg 7 'Ivanic in Istanbul, Mladen from Istanbul' by Mirjana Kusmuk — The author is critical of RS officials, who could not admit before that BiH would not be admitted into PfP over RS failure to cooperate with the ICTY, but instead waited for the Summit and its decision to say it. She further refers to statement by Dragan Mikerevic (when he said he would sacrifice for RS), wondering whether each politician is ready to make such sacrifice, since BiH was not admitted into PfP over their failures.

She concludes that **Ivanic and Mikerevic** have signed their election debacle statement by having made such statements on the eve of and during NATO Summit.

Mikerevic meets with senior US official

Nezavisne Novine pg 4 'A full cooperation with the ICTY is necessary' — Dragan Mikerevic, RS Prime Minister, yesterday in Banja Luka, received US Deputy Secretary of State, Cathleen Stevens. The meeting concluded that RS has achieved good results in defence reform, stressing it would contribute to accelerated process of BiH admission into PfP and other Euro-Atlantic organisations. Oslobodjenje pg 5 'Full cooperation with ICTY necessary' also covered the issue.

Security issues/investigations/legal proceedings

Deputy
director of
BiH Interpol
Fazlic
accused of
abuse of
position

BHTV, FTV, RTRS, Oslobodjenje cover page 'Indictment filed against Asim Fazlic', pg 7 'Fazlic accuse office abuse, taking bribe and irresponsible behaviour', Dnevni Avaz pg 2 'Indictment raised against Asim Fazlic', Glas Srpske cover page report 'Fazlic charged'; Nezavisne Novine pg 4 'Indictment against Asim Fazlic brought', Dnevni List pg 7 'McNair issued bill of indictment against Asim Fazlic' by V. Pusic,

SRNA - The BiH Prosecution Office on Monday filed
charges against the deputy director of the BiH Interpol,
 Asim Fazlic, accused of abuse of his position and
 authorities, particularly in discovering and keeping
 sensitive Interpol information which he got hold of
 because of his post. John McNair, the prosecutor in the
 special department for organized crime, economic crime
 and corruption has told SRNA that the indictment against
 Fazlic contains nine points which among other things
 accuse him of abuse of his position and authorities,
 receiving bribes, illegal mediation, irresponsible work
 in the service and failure to report criminal acts.
 Senad Kobilic has also been accused for aiding in the
 abuse of position and illegal mediation.

Mostar
Cantonal
court acquits
seven
Bosniaks
accused of
war crimes

Herceg Bosna Radio, BHTV, FTV, RTRS, Oslobodjenje pg 6 '7 Bosniaks acquitted', **Dnevni Avaz** pg 9 'Konjic group cleared of charges for murder of Slavko Susa and Novak Ljeskic', **Dnevni List** pg 3 'Acquitting sentence to 7 Bosniaks charged with war crimes', mentioned on cover, by N. Dedic, Vecernji List pg 3 'Konjic group free, families sue Army and FBiH', mentioned on cover 'Konjic group released and therefore families sue Army', by R. Soldo, Slobodna Dalmacija pg 20 'Bosniaks did not kill Serb civilians' by A. Vlaho, SRNA — The Mostar cantonal court on Monday acquitted seven Bosniaks accused of having committed war crimes against civilians of Serb nationality in Konjic at the beginning of 1992, the lawyer of the Serb family Ljeskic, Dusko Tomic, has told SRNA. "For me this decision was expected, and I had warned before that that the new Penal Code in the Federation of BiH is unfair and it benefits the persons accused of war crimes during the war in BiH," Tomic said. He believes that Monday's decision of the Mostar cantonal court "sends the wrong message to all courts in B-H who intend to hold war crimes trials". "The practice of allowing war crimes suspects to defend themselves is not serious and is contrary to the way in which such processes are held before the Hague tribunal, where all accused are held in a detention unit," Tomic said. He announced that the Mostar cantonal prosecution, which filed the indictment against the above mentioned seven Bosniaks on 10 March, will appeal to the decision of the court, and emphasized that he will personally sue the FBiH and the BiH Army and file a request for compensation of the persons in question, especially considering the fact that defendants Miralem Salihovic and Muharem Hujdur pleaded guilty during the investigation proceedings.

VL says Sefer
Halilovic
might stand
trial in
Sarajevo

Vecernji List pg 2 'Trial against Halilovic in
Sarajevo?' by D. Jazvic — VL carries that according to
 their sources close to the ICTY, former BiH Army
Commander Safet Halilovic will most probably be tried in
BiH. VL concludes that in that case, the ICTY would in
some way break its rule according to which they do not
transfer to domestic courts the cases that refer to the
highest-ranked military and political officials.

Audit into SDS financial operations

FTV - There are financial irregularities reported in SDS financial operations. The greatest ones are reported to take place in SDS Municipality Boards in Doboj, Bijeljina, Banja Luka and Trebinje. The person who will be responsible for these irregularities is Dragan Kalinic, SDS Chairman. As the first example of financial irregularity, International Auditor mentions company "Duga", which was established by SDS from Doboj in 1992. Milan Ninkovic, Chairman of this branch of SDS, and Minster of Defence during the war, became last year one of the owners of "Duga". "It is obvious that here we are dealing with variety of pressures on SDS, in order to create an ambient in which it would be possible to bring very radical political decisions concerning SDS or its bodies or its officials", said Dusan Stojicic, SDS spokesman. SDS Municipality Boards do not pay rent for exclusive offices. In several cases, International Auditor reported on illegal donations of cars, given by Government Institutions to SDS Municipality Boards, which were not reported as donation. Dragan Cavic, SDS Vice Chairman believes that work of SDS won't be forbidden and that he will do all in his power to fight decision on forbiddance. Final and complete report of International Auditor will be announced in several days.

HR Ashdown wants to abolish RS and FBiH MoIs?

Slobodna Dalmacija, front and pg 13 'RS and FBiH Police to be abolished?', by <u>Zlatko Tulic</u> - Wondering whether the High Representative for BiH, Paddy Ashdown, will soon abolish the entity Police forces, SD claims that HR Ashdown will, after the NATO Summit in Istanbul, form a commission whose task will be to re-organize Police forces in the entities. The commission will be led by former Belgium PM, Wilfried Martens. SD goes on to say that according to unofficial information, the commission's priority will be to disband and abolish the RS and FBiH Ministries of Interior. In that context, SD reminds that HR Ashdown had talks with Martens a few months ago, when HR Ashdown stressed that the existence of entity MoIs was unnecessary having in mind the fact that BiH had the Ministry of Security, and on top of that OSA and SIPA were to be formed too. Furthermore, SD notes the plan is to appoint a commander for the whole Police in BiH within the BiH Security Ministry. SD goes on to report that HR Ashdown informed principals of the RS, Dragan Ivanic, Dragan Kalinic, Dragan Mikerevic and Mladen Ivanic, about his plans at his recent meeting with them at Banja Luka, when HR justified his plan with the fact that the RS MoI failed to arrest a single war crimes suspect. Allegedly, Kalinic, Cavic and Ivanic opposed the plan, but HR Ashdown told them if they wanted to keep the RS MoI, Radovan Karadzic and Ratko

Mladic needed to be arrested.
Nezavisne Novine pg 5 'Paddy Ashdown would demand
abolishment of entity police forces' - NN source close
 to BiH Council of Ministers claims that the High
 Representative to BiH would demand from BiH police
 reform commission to abolish entity Ministries of
internal affairs. NN collocutor claims: "RS MOI failed
 in regard to arrest of war crime suspects."

Adnan Terzic, Chairperson of BiH Council of Ministers, stated that BiH police reform commission would be established by the end of June. He stressed this Commission would have completed its work by the end of this year.

Oleg Milisic, OHR Spokesperson, did not want to speak about possible instructions HiRep may give on this issue, according to NN. Milisic said: "Commission will be formed soon and its task and composition would be made known then."

Brcko District Police on Maoca related reports

Nezavisne Novine pg 4 'Police holds no information on terrorist activities at Maoca'; Glas Srpske pg 3 'No base, no terrorists'; EuroBlic RS pg 3 'There are vehabijas' — no knowledge of terrorists' — Brcko District Police yesterday denied claims that the area of Maoca (village in the southern part of District is a terrorist base under the control of mujahedeens.

According to press release Brcko District Police issued yesterday, police holds no such information, either information on possible terrorist activities of individuals of groups.

Police further stressed it is aware of the fact that the citizens, members of or followers of "Vehabija" movement, live in the area of Maoca.

SFOR suspicious of Njegus

Nezavisne Novine cover and pg 5 'Njegus is collecting money for the Hague indictees' — NN learnt from its source close to NATO forces in BiH that international forces in BiH suspect Radomir Njegus, RS Police Director, is the most responsible person for the failure of all attempted arrests of the Hague indictees. Same source claims SFOR has no hard evidence proving this, but it regards it as extremely indicative that all RS police actions, as well as those actions which SFOR announced to Njegus, faced debacle.

According to SFOR information, **Njegus** and his associates are collecting money for the war crime suspects from coffee bar owners, gas pumps' owners and private businessmen.

Source also added SFOR is still running investigation on this.

According to NN, police attempted arrest of Stojan

Zupljanin over the past weekend in Knezevo faced debacle because it was set wrongly from the very beginning.

Namely, Njegus should not have ordered Zeljko

Spasojevic, Head of Banjaluka PSC to run the operation with the Special Police Unit, since only Police Director can lead Special Police.

Update to Orao affair

Nezavisne Novine pg 4 'Closing arguments in Orao trial today' — The trial against those suspected in Orao affair will resume today before Bijeljina Basic Court. According to Slobodan Govedarica, one of defence attorneys, the attorneys would today make closing arguments.

Political developments

Oslobodjenje on need for constitutional reform in BiH Oslobodjenje pg 2 'Strasbourg against
Dayton' op-ed by Zija Dizdarevic — "The
position of the Council of Europe on
necessity to change BiH Consitition
represents a first-class encouragement for
creation of a genuinely democratic
framework for BiH," wrote Dizdarevic.

WHC PM Lasic on cantonal education laws

Dnevni List, pg 5 'Adoption of Proposal of law on education despite sanctions', by V. <u>Soldo</u> – The Proposal of law on elementary and secondary education in West-Herzegovina Canton, for which the OHR and OSCE claim it is not in harmony with the State Framework law on elementary and secondary education, will be submitted to the WHC Assembly for adoption at tomorrow's session by the WHC Government. WHC Prime Minister, Viktor Lasic, insists the Proposal of law is in harmony with the Framework law. "Although the OSCE and OHR claim our proposal is not in harmony with the Framework law, we claim it is. We will go to the extraordinary session of the Assembly with this proposal, where we will adopt such article in the law". Furthermore, PM Lasic says there cannot be lectures in three languages in the same time: "If a teacher uses his/her constitutional right and uses the language he/she opts to use, there will be a situation in which rights of pupils are endangered". Lasic continues: "Even some HDZ MPs voted for the Framework law, which does not mean anything because people can make mistakes. MPs are not experts in all the areas of the law, and the sanctions of 5% and announcements of other sanctions will not make us change our opinion. Only if we are proven that we are not right, by arguments, we will change our opinion".

Reactions to victory of Boris Tadic at presidential elections in Serbia Nezavisne Novine pg 2 'Triumph of democratic Serbia' — The officials and political parties from RS yesterday welcomed the victory of Boris Tadic at the presidential elections in Serbia .

Namely, the officials who welcomed the victory of democratic processes in Serbia, according to NN were: Paddy Ashdown, Dragan Cavic (SDS), Dragan Mikerevic (PDP), Nikola Spiric (SNSD), Mladen Ivanic (PDP), Dragan Kalinic (SDS), Slobodan Popovic (SDP of BiH), Petar Djokic (RS Socialist Party), Mirko Blagojevic (Serb Radical Alliance "Dr Vojislav Seselj), Borislav Paravac (SDS).

Tarik Sadovic, Head of SDA Caucus at the RS NA, said that: "Citizens of Serbia have chosen a better option and I hope that Serbia would leave the darkness it has been living in for 15 years."

Sejfudin Tokic, SDU Vice President, assessed election of Tadic is encouraging.

Pero Pavlovic, HDZ Spokesperson, stated that Tadic would be representing the policy, which would lead Serbia towards the family of European families.

Dnevni Avaz pg 8 also carries positive reactions by BiH politician to presidential elections results in Serbia.

Economic/social issues

Nicholl on internal debt settlement

'Issue of internal debt must be resolved ASAP' by Peter Nicholl, BiH Central Bank Governor. "Securities to be issued and given to the old foreign currency savers will soon have value," wrote Nicholl adding that the adoption of the plan for internal debt settlement agreed between the BiH authorities and IMF in the parliament would help BiH getting B2 credit rating.

FBiH Defence Minister on difficult financial situation in FBiH Army

Dnevni List, pg 3 'Responsibility for saving of Federation Army on BiH Presidency', mentioned on front, by <u>Vedran</u> Vujovic, Oslobodjenje pg 3, mentioned on cover 'Reception of July class (of regular soldiers) postponed', **Dnevni Avaz** pg 2 'Nikolic requested stoppage of recruitment' - The FBiH Defence Minister, Miroslav Nikolic, claims that the situation within the FBiH Army is extremely difficult, adding that a possible decision on sending troops home or reduction of forces rests with the BiH Presidency. DL reminds that the FBiH MoD requested for 2004 a sum of 360 million KMs in order to be able to provide normal conditions for the troops, however the MoD is to get only 229 million KMs, which is insufficient. According to Minister Nikolic, the funds cannot secure all the necessary conditions for the professional army and the conscripts. Minister Nikolic notes: "Instead of shifting all the responsibility onto the (FBiH) MoD, we must use the energy to find a way how to continue working with limited finances. We have nothing left but to talk to the competent people in the BiH Ministry of Defence and BiH Presidency in order to find a solution to the situation. One of solutions could perhaps be a postponement of military service".

Update to Eronet case

BHTV, Dnevni List, pg 5 'Prime Minister Hadzipasic informed about advantages of sale of Eronet', mentioned on front, by <u>J.</u> Petrovic —The FBiH Prime Minister, Ahmet Hadzipasic, and Head of Municipality of Grude, Dobroslav Galic, met yesterday when Galic informed the PM about advantages of the sale of Grude Municipality's share in 'Eronet'. Since the meeting was not attended by the President of the Municipal Council of Grude, Mate Simunovic, Galic and Hadzipasic could not take any conclusions. DL also notes that the President of 'Eronet' management, Bozo Knezevic, confirmed that 'HT Zagreb' has been sent the offer to buy 50,5% of 'Eronet's' shares the 'Mobilkom Austria' is interested in, pursuant to the right to pre-emption. However, according to 'HT Zagreb's' spokesman, Marjan Jurleka, HT Zagreb is yet to receive the offer.

Statement of Day: Director of FBiH Tax Administration

SD on expenditures of BiH Presidency

Slobodna Dalmacija pg 13 'BiH Presidency as example to the others' by B. Kristo -SD carries a commentary on the expenditures of the BiH Presidency members and the statement of Serb member of the BiH Presidency Borislav Paravac, who announced that the BiH Presidency will have a meeting with the members of the BiH Audit Office who published shameful results on the expenditures of the BiH Presidency. The author says the reason because of which the BiH Presidency members would meet the auditors will remain a secret since none normal person will believe in the Paravac's statement, which says that the BiH Presidency does not want to influence the auditors in any way. The author also harshly criticizes Paravac's statement that the BiH Presidency is a serious institution and that this institution should serve as an example to the others.

RSNA to discuss revival of production

Glas Srpske pg 3 'Economy as hot topic';
Nezavisne Novine pg 5 'MP's today about
revival of production' — RS Parliament
will today hold regular session, which is
to discuss Action Plan of RS Government
fir revival of production, further process
of privatisation and realisation of social
programme.

Other issues

Destruction of religious facilities in BiH

Glas Srpske cover page story 'They
 destroyed whenever they wanted' - GS
brings some reactions on statement of Adil
 Osmanovic, RS Vice President, who said
 that during the war in BiH, Orthodox
temples, churches and monasteries were not
 destroyed in non-combat areas.

Dusan Antelj, Director of the RS
Government Secretariat for Religion, Mirko
Maric, Secretary of Secretariat and eparch
of Zahumlje Herzegovina region deny these
claims, saying that Osmanovic once more
attempted to define the destruction of
religious objects as "Serb specialty" and
to mark Serbs as the only people
responsible for destruction of religious
holidays.

Maric further brought names of many temples in F BiH, that had been destroyed during and after the war in non-combat areas.