# OHR BiH Media Round-up, 30/11/2005

### Latest radio news broadcast at 12.00 on 30 November

RADIO HERCEG-BOSNA	<b>BH Radio 1</b> (12,00 hrs)	RTRS (12,00 hrs)
(12,00 hrs)		
Jovic met HVO Assoc. of Pensioners	Hasan Cengic's acquittal confirmed	Trebinje DistrictPO
Slovakian President visits BiH	MIU closing down	Smith on Karadzic's search
Solana welcomes new EUPM Comm.	World news	Croatia facing compensation demand

## TV news broadcast on 29 November

RADIO HERCEG-BOSNA (18,00 hrs)	<b>TV PINK</b> (18,00 hrs)	<b>BHT 1</b> (19,00 hrs)
Sarovic and Govedarica arrested	Sarovic arrested	Sarovic, Govedarica arrested
FBIH HoP session	Former warden of "Gabela" arrested	War crime suspect arrested
DA anniversary conference	Two killed in police chase	Milosevic against separation of cases
Dokic meets Kalmeta	Dayton- 10 years after	The issue of police authorities

NTV Hayat (19,00 hrs)	FTV (19,30 hrs)	RTRS (19,30 hrs)
Sarovic arrested	Sarovic, Govedarica arrested	ICG on EU visa regime
Bjelica to surrender	Verdicts in case of Una	Sarovic and Govedarica
	Bank Bihac	arrested

Verdict in "Una- Bank"	New political crisis in	Bjelica surrenders to
case	Brcko District?	BIH Prosecution
Comments on HR decision	The issue of police authorities	Nikola Andrun arrested

<b>Oslobodjenje</b>	Sarovic, Govedarica and Bjelica turned to Prosecution
Dnevni Avaz	Sarovic and Govedarica arrested
Dnevni List	Covic withdraws, Lozancic to be President
Vecernji List	Spectacular police action : Head of Gabela prison
	arrested/Mirko Sarovic brought in
Slobodna	Hydro electric power plant death for Klobuk
Dalmacija	
Nezavisne	Sarovic, Govedarica and Bjelica arrested
Novine	
Glas Srpske	Mirko Sarovic detained
EuroBlic	Sarovic and Govedarica arrested
Vecernje	Features Serbian related topics
novosti	

LATEST NEWS OF TODAY	
Hasan	BH Radio 1, RTRS — Appellation Council of
Cengic's	BiH Court has today upheld ruling
acquittal	according to which <b>Hasan Cengic</b> was
verdict	acquitted of charges for office misuse
confirmed	while performing the duty of the Deputy
	FBiH Defence Ministry in 1996.

HR hands
over
remaining
MIU tasks to
Mostar
authorities

BH Radio 1 Emil Karamatic — The HR Paddy Ashdown today handed over the remaining tasks of the Mostar Implementation Unit to the local authorities at the ceremony of closing down the MIU. Ashdown underlined the politicians in BiH must take over responsibility for implementing the reforms that are necessary to complete the unification of Mostar. He added that constructive changes has occurred in Mostar and that their pace must be maintained. During his Mostar visit, HR also met with the FBiH Minister Trade and Tourism, Maid Ljubovic, has fully moved to Mostar. Ljubovic supported the request for move of other five FBiH ministries.

Smith denies
he did not
want to
arrest
Karadzic,
adds he was
banned to
search for
him

RTRS, BH Radio 1 — Former NATO Commander in BiH, admiral Layton Smith stated that at the time of performing this duty he was banned from searching for the ICTY fugitives at large. He also rejected the accusations by the US diplomat Richard Holbrooke who said he rejected to pursue Karadzic. In an interview to Vecernje novosti, Smith added he was commanded to keep and transfer the fugitives in the Hague if the soldiers happen to run into that person while carrying out their usual duties.

# Arrests / Judicial proceedings

Sarovic,
Govedarica
arrested,
Bjelica
surrenders to
BiH court;
Speculations
on extending
indictments
related to
PBES to war
crimes

BHT 1 by Gvozden Sarac - The joint action of BiH Prosecutor's Office, SIPA and EUFOR resulted in apprehension of former BiH Presidency member Mirko Sarovic and the former director of the RS Strategic ReservesMilorad Govedarica, both suspects in the investigation into the operations of Privredna Bank East Sarajevo [PBES]. Third suspect Milovan 'Cicko' Bjelica surrendered voluntarily on Tuesday afternoon. Along with the director of this bank Momcilo Mandic, already in custody, these three are suspected of multimillion financial frauds related to the work of PBES. They were all previously blacklisted by the EU and US for suspicion of aiding war crimes suspects at large. Sarovic and Bjelica were apprehended in the office of East Sarajevo Mayor Radomir Kezunovic. Hayat by Adnan Rondic - Kezunovic said that on the initiative of PBES Provisional Administrator Toby Robinson, a meeting was held in his office, where Sarovic and Govedarica were supposed to discuss out-court settlements. After Robinson explained her proposal, two men in civil walked into the office and presented as EUFOR officers, after which Sarovic and Govedarica were taken away. According to unofficial information investigation in this case has been expanded to providing of assistance to war crimes' indictees. RTRS - Bjelica's attorney Alija Galijatovic stated for RTRS over the telephone that Bjelica has been questioned and remains in custody. Glas Srpske cover pg splash 'Mirko Sarovic detained' by <a href="Z.Domazet">Z.Domazet</a>, inset 'I did not run away' carries Bjelica's phone statement to daily, saying he would surrender in the company of his attorney. Oslobodjenje cover pg splash and pg 3 'Sarovic and Govedarica were arrested, Bjelica surrendered to the Prosecution' by A. Nezirevic and A. Omeragic - Prosecutor Johnatan Rattel will demand a onemonth detention to be set for Sarovic and Govedarica [who will be interrogated today]. BiH Prosecutor's Office did not want to confirm whether their indictments will includes charged related to war crimes. **BK TV** — OHR has rejected to comment the arrests.

RTS 1 [Serbian state TV], FTV, RHB, PINK, Dnevni List pg 2, mentioned on cover 'Sarovic and Govedarica arrested, Bjelica on the run' by D. Kozina, Vecernji List cover pg splash 'Mirko Sarovic brought in' and pg 3 'Former RS President Mirko Sarovic arrested' by B. Stevandic, Nezavisne Novine cover pg splash, pg 3 'Sarovic, Govedarica and Bjelica arrested' by A.Sisic/R.Rakic, EuroBlic cover pg splash 'Sarovic and Govedarica arrested, RSpg 1 'EUFOR cannot say whether Bjelica is in a run' by Mirna Soja, Glas Srpske cover pg splash 'Mirko Sarovic detained' by Z.Domazet — also cover the arrests.

Media
speculate on
crimes
related to
working of
PBES; DA:
What about
Kalinic?

FTV by <u>Sinan Saric</u> — Reporter says that the criminal activities related to the Privredna Bank East Sarajevo are worth approximately 30 millions KM. Four companies involved in those activities are Privredna bank, Matres company, Spectra company owned by SDS and banned television from Pale "Kanal S", and persons involved include Mandic, Bjelica, former RS NA Chairman Dragan Kalinic and several high-ranked SDS officials. FTV says that this includes frauds related to financing Radovan Karadzic's hiding. Media speculate that Sarovic and Govedarica have signed dozens of directives for giving tons of fuel from the RS Strategic Reserves to Govedarica's fictitious company Matres. Dnevni Avaz cover pg splash 'Sarovic and Govedarica were arrested', pg 2 'Mirko Sarovic and Milorad Govedarica were arrested, Cicko Bjelica surrendered' by T. I. and S. T., Inset 'What about Kalinic?' Apart from Sarovic, Govedarica and Bjelica, DA also

- Apart from Sarovic, Govedarica and Bjelica, DA also mentions that Kalinic had been brought in connection with the PB ES affairs. Kalinic was too sued, but was not mentioned during the arrest action on Tuesday. According to unofficial information, Kalinic resides in Belgrade for some time now.

Former
"Gabela"
warden
arrested

Hayat, FTV BHT1, RTRS, PINK, Dnevni List pg 2, mentioned on cover 'Deputy Head of Gabela prison camp Nikola Andrun arrested' by N. Dedic, Vecernji List cover pg splash 'Head of Gabale prison arrested' and pg 3 'Andrun was taken with injured head' by F. Matic, Slobodna Dalmacija pg 20, mentioned on cover 'Capljina: Head of prison camp Gabela arrested', Nezavisne Novine pg 3 'Former warden of "Gabela" arrested', announced on cover 'SIPA members arrested former warden of "Gabela" camp' by D.Mu. — Former warden of prison camp "Gabela" Nikola Andrun, suspected for war crimes against civilians, was arrested on Tuesday morning in Capljina. Arresting action was conducted trough coordinated action of police members and members of SIPA. Andrun was surrendered to BiH Prosecution, who issued order for his arrest.

Verdict to
Maktouf
abolished;
Case returned
for a new
trial

BHT1, Hayat, FTV, RTRS, Dnevni Avaz pg 13 'First-degree sentence for war crimes of Abduladhim Maktouf was annulled' by Aj. D., Dnevni List pg 4 'Verdict to Maktouf abolished',

Vecernji List pg 4 'New trial to A. Maktouf' <u>by E.</u>

<u>Medunjanin, Nezavisne Novine</u> pg 2 'Re-trial against Maktouf' by <u>A.D</u>. — BiH Court Appellate Council abolished on Tuesday the first-instance verdict on the ground of which **Abdulahim**<u>Maktouf</u> was sentenced to 5 years imprisonment because of the war crime committed against civilians in Travnik in 1993. DL learns that the case was returned for a new trail.

Update on trial in 'Covic and others' case Dnevni List pg 4 'Covic warned that he was working illegally'

by M. Zorlak reports on continuation of the trial in the

'Covic and others case', when economic expert Sadeta Ceric

gave her testimony and stated that by disrespecting of the

law company 'Lijanovici' profited and damaged the FBiH budget

in this way. She also said that Dragan Covic, who was the

FBiH Minister of Finances at that time, interpreted the BiH

CoM's decision on taxation of some chicken products in wrong

way and completely illegally. Also reported by Vecernji List

pg 4 'Andric misinformed Covic' by D. Jazvic and Slobodna

Dalmacija pg 16 'Privileged import damaged agriculture' by Z.

Tulic. Sarajevo press also reported.

## **Political developments**

PDP rejects Govt's
proposals at RSNA
session; DNS
launches
initiative for
vote-of-confidence
to RS Govt

Nezavisne Novine pg 4 'Initiative for vote-of-confidence to RS Government' by <u>V.P. - Tuesday's session of RS NA was in</u> the shadow of gathering of 20 signatures organised by DNS (Democratic People' Union), necessary for revoking RS Government. The vote-of-confidence can be run if votes of 20 MP's are collected. Drago Kalabic from DNS stressed that it is clear that RS Government does not have RS NA majority. He also called upon Bukejlovic to resign, expressing expectation PDP would support DNS initiative. Veselin Poljasevic, Head of PDP Caucus at the RS NA, stated that: "RS Government does not have our support. However, decision on possible suspension of support to Government will be reached by party institutions." Chair of SDS Caucus Borislav Bojic said that he doesn't expect anything large to happen, adding that Government will not lose majority. He said: "If you are withdrawing then you should withdraw from positions that you are on. So, we were absolutely clear, when it comes to Presidency stance- from all, and there are many of them." Milorad Dodik, SNSD President, remained faithful to his initial position that owing to failures, RS Government should initiative vote-of-confidence by itself, adding that SNSD would support Government revocation only in case if PDP promised it would fight racketeering privatisation. Petar Djokic, SP RS President, also supported initiative for vote-of-confidence to RS Government. Glas Srpske pg 5 'No resignations for the time being' by <u>Z.Markovic</u> – Daily reports that **Veselin** Poljasevic, Tuesday confirmed that PDP MP's would vote against each and any information on agenda of 31st session of RS NA. Daily notes that Tuesday's session of RS NA proved this to be true. Borislav Bojic, expressed conviction that it does not necessarily mean RS Government would lose majority when PDP left coalition, without revealing which parties may fill in its position. Velimir Sakan, PDP MP, said PDP would support those laws, which it views as good. Daily also carries Dodik's statement (see above). EuroBlic RSpg 2 'PDP on a test' by Raina <u>Radosavljevic – carries statements of</u> Kalabic, Poljasevic, Bojic and Dodik. PINK, BHT1, Dnevni Avaz pg 5 'DNS called on Bukejlovic to resign', **Oslobodjenje** pg 8 'RS Government has no support of the

Parliamentary majority' - also reported.

RTRS on RSNA session: It is obvious Govt lost parliamentary surprised with developments; Bukejlovic: I will not resign

RTRS late news edition by Biljana Knezevic - RTRS reporter comments that the RS Government has no support of the RSNA as of Tuesday night. She adds this became majority; Stojicic evident after a discussion on situation in RS economy that lasted the entire day. None of the information suggested by the Government has received majority support which has shown that PDP has become opposition. RS NA Speaker Dusan Stojicic was surprised with this outcome and stressed that nothing like this ever happened in RS NA. RS PM Pero Bukejlovic on the other hand stated that he wasn't surprised at all. "I as a PM do not have the intention to resign nor do I have the intention to recommend to the Government to resign", stated Bukejlovic. He added that RS NA deputies should dismiss the Government if they are not pleased with it. SDS accused PDPthat they do not care about the quality of material presented by the Government. Opposition parties called upon Bukejlovic to resign. RTRS learned unofficially that the political parties would declare their stance in the following days regarding initiative for dismissal of RS Government. RTRS late evening report on RSNA added that the RSNA could discuss this issue on its session on 13 December.

DA in with
Bukejlovic:
'Crisis of the
authorities is not
good for
negotiations with
EU'; Bozic to take
over Pecelj's
ministerial
position

Dnevni Avaz pg 5 'Crisis of the authorities is not good for negotiations with EU' by Nadja Diklic - RS PM Pero Bukejlovic stated in an interview to DA that the RS Government will consider PDP's announcement on withdrawal of their support only after the party officially informs the Government on this decision. RS PM added that they will not seek for a new Assembly majority until this happens. He noted that this is not the time for pre-election activities, having in mind the official start of negotiations with EU, and he added BiH needs a stabile authority at all levels. RS PM said he will meet BiH Chief Negotiator Igor Davidovic to discuss his invitation to RS Government to join negotiations. With regard to constitutional changes and Washington talks, Bukejlovic said BiH politicians must set a limit by which they would be willing to support constitutional changes and he added he pleads for respecting of a consensus. Inset 'Snjezana Bozic instead of Pecelj' — Bukejlovic said he expects RS would get a new Education Minister by the end of the week, adding that the only candidate for this position was **Snjezana Bozic**, who is currently under OHR vetting procedure. Inset 'To shorten the deadline for police reform' -Bukejlovic said CoM still had not forwarded an official suggestion of Directorate for police reform and he added he expects the deadline for implementation of police reform would be shortened in future.

NN op-ed: PDP is always calculating in financial and political regard

Nezavisne Novine op-ed pg 7 'Confiscated property tax' by <u>Anton Kasipovic</u> — The author is criticizing the activities of the PDP, questioning the possibility of seeing the RS Government face crisis following PDP announcement it would withdraw from power. He compares it with the alleged crisis at BiH COM, at which Mladen Ivanic, PDP President, is still sitting. The author is ironical in noting that PDP is always calculating what seems to be best for it, in financial and political regard.

Conference on
Dayton in
Sarajevo : EU
will not want to
hear excuses

FTVby Adisa Ruzdic-Hodzic - Three-day conference on 10<sup>th</sup> anniversary of the Dayton Peace Agreement commenced in Sarajevo on Tuesday gathering a number of politicians, governmental representatives, international representatives, professors and various experts. Opening the conference, Slovenian Foreign Minister Dimitrij Rupel stated that BiH's preparation for EU integration would be the greatest challenge for both the International Community and BiH authorities. "The politicians could no more hide behind the boycott, or by saying that they have to wait for the consensus to emerge, or behind the International Community", stated James O'Brien, one of the DPA creators. During the process of European integration, IC will not be able to do the job for domestic politicians as they have to take over responsibility for the implementation of the reforms, concluded O'Brien. PINK by Aida Doric-"I hope, and that dominated this discussion, that BiH will have good negotiators, singular position toward the EU, that we will look respectable and serious before them and that this will be the best way to present ourselves as the country which knows what is doing and where it goes," said BiH Foreign Minister Mladen Ivanic. Hayatby Nebojsa Radulovic - Rupel also underlined that will be no trade of RS for Kosovo. High Representative Paddy Ashdown has invited BiH authorities to be more determined in implementation of reforms, which are opening doors of Euro-Atlantic integrations, adding that BiH is walking toward establishment of rule of the law and economic sustainability. RTRS, RHB, BHT1, Dnevni Avaz pg 2 'BiH now needs a vision and leadership' by Fena, Oslobodjenje pg 7 'EU will not want to hear excuses' <u>by M. K. S., Dnevni List</u> pg 3 'BiH politicians would not be able to hide behind boycott and consensus' by D. P. Mandic, Vecernji List pg 5 '10 years after Dayton' by eme, Slobodna Dalmacija pg 21 'BiH cannot be connected to Kosovo in any way' by D. Pasic, Nezavisne Novine pg 9 'BiH needs to sign agreement with EU asap' by A.Sisic, EuroBlic RSpg 2 'BiH made progress democratically' by D.S., Glas Srpske pg 3 'European door unlocked'also reported.

"NATO membership conference": After defence reform, cooperation with ICTY only remaining condition

PINKBy Adriana Domazet - In organization of BiH Alliance for Security and British Embassy, Conference "Membership in NATOsecurity and stability in region" was held in Sarajevo. British Ambassador to BiH Mathew Rycroft said that goal of this Conference is to spread ideas on what BiH and countries in the region can gain from NATO membership. "Success of defence reform means that BiH has only one more condition to join PfP and that is full cooperation with ICTY and extradition of war criminals **Karadzic** and **Mladic**," said Ambassador Rycroft. Chairman of BiH Alliance for Security Sejfudin Tokic explained that goal of this Conference is to accelerate reforms and remove all prejudices, caused by unawareness regarding global security. Co- Chair of BiH Defence Reform Commission Raffi Gregorian said that after passing of Laws on Defence and Armed Forces, for the first time BiH will have armed forces compatible to NATO. Gregorian emphasised that these reforms will take time and additional financial and political resources, stressing that they will try to explain to the people and the Parliament what needs to be done for creating of conditions, which would accelerate BiH's way toward fulltime-membership in NATO. BHT 1 by <u>Mirela Cosic</u> - Gregorian expressed hope that NATO would approve the action plan for membership in this international organization until the completion of implementation of laws in defence sector by the end of 2007. But it would be the major step backwards in the implementation of defence reform if the proposed budget for BiH Ministry of Defence approximately 300 millions KM — is not approved. In that case, some activities would not be carried out, stated BiH Deputy Minister of Defence **Enes** Becirbasic. Hayat, Oslobodjenje pg 4 'After the defense reform, cooperation with the Hague remains' not signed, Dnevni Avaz pg 5 'Support to admission of BiH to NATO is somewhat weaker in RS' by Fena, Nezavisne Novine pg 8 'No NATO without BAM

300 million' by N.Krsmanalso reported.

DL learns from its sources details of agreement btwn HDZ and EPP: Covic withdraws, Lozancic to be new HDZ President

Dnevni List cover pg splash and pg 3 'Covic withdraws, Lozancic to be new President' by Z. Jukic learns from its sources within HDZ details from the Monday's meeting between HDZ officials and European people's Party (EPP) President Wilfred Martens. According to these sources, it was agreed that there would be no new HDZ Convention, however, it was agreed that HDZ President Dragan Covic would withdraw from his current position by Christmas this year and Niko Lozancic would come to his position. DL says that in this way a concession was made to Covic since he is convinced that he would preserve control over HDZ with Lozancic as the HDZ President and that he (Covic) would be a President from the shadow as he used to be when Barisa Colak led the party. The source also reveals that the package of measures that HDZ and EPP are going to take might contain the decision on pardoning of Bozo Ljubic, Josip Merdzo and Martin Raguz.

M. Relota denies SD report reg. mtg HDZ/Martens

Oslobodjenje pg 2 'HDZ denies that Martens demands Covic's resignation' by A.O. carries HDZ denial of the SD article published on Tuesday in which it was said that during the HDZ/EPP meeting it was agreed that HDZ would lose a status of an observer in EPP if Covic does not withdraw from the position of an HDZ President.  $\ensuremath{\mathsf{HDZ}}$ spokesperson Miso Relota said that during the meeting it was agreed that none information from this meeting would go into public and he added: 'We have sent an objection to EPP since obviously someone did not stick to the agreement.' Slobodna Dalmacija pg 17, mentioned on cover 'Martens did not threaten Covic' by M. Sivric carries a similar report and Relota as saying that EPP President Wilfred Martens was not satisfied with media speculations and untruths that have been published during the last months regarding the meetings between EPP and HDZ, as well as with latest media writings.

HR Ashdown: 'I
will personally
monitor the
process of uniting
 of Mostar'

Dnevni Avaz pg 10 'I will personally monitor the process of uniting of Mostar' by S. Numanovic - OHR and High Representative will continue to monitor the process of uniting of Mostar and its institutions even after the Unit for Mostar is shut down. HR Paddy Ashdown has stated a lot has been done in the process of uniting of this town, but lots of work still remains to be done. HR noted that moving of Ministries is a constitutional obligation and he will not tolerate the existence of large offices in Sarajevo and small Ministries in Mostar. Vecernji List pg 5 'OHR returns Mostar to Mostar authority', mentioned on cover 'Ashdown hands over Mostar to Beslic' by D. Jazvic carries an interview with High Representative Paddy Ashdown along the same lines as in Dnevni Avaz.

Interview with
Head of MIU R.
Williams: 'Mostar
will be normal
town in 3 years'

Dnevni List pg 10 'Mostar would be normal town in 3 years' by S. Bjelica carries an interview with Head of the OHR's Unit for Implementation of the Mostar Statute Richard Williams, whose unit ceases with its work on Wednesday (today). Asked to judge the job that has been done so far, Williams said: 'The process of the Mostar Statute implementation was very difficult for 2 reasons. One of the reasons refers on falling behind schedule and the delay itself since none party or ethnic group had majority and therefore a consensus was necessary for the smallest decision in Mostar. The second problem were hardliners. It is not a secret that we lost 5 months during this year because of obstructions and hardliners' acting. However, a progress has been achieved in 4 main areas and they are: authority, unification of institutions, development and maintaining of infrastructure and economic development.' Asked as to when Mostar might start to function as a normal city, Williams says: 'What would really bring changes are the institutions with ethnic representation of all. From my previous experience I can say that 2 years of implementation are necessary and one year to finish the things and that everything falls into place.'

Sarovic, Vucurevic comments HR's pardons: decisions for all; GS: Removed officials will not suspend their procedure before Strasbourg Court re. HR's decision

Hayat report by ATV- The HR Paddy Ashdown announced decision on pardoning some officials replaced, which caused many comments and even Mirko Sarovic, only few hours before arrested, reacted. Nikola Poplasen, former RS president and one of pardoned officials, deems this decision not as recognition of his innocence, but as another act of dictatorship. "Decision on so called pardoning is pretty ridiculous, as was the decision on punishing [us]. I understood that majority of us have been pardoned... and that we have right to apply for desk clerks, but nothing further," added Poplasen. Sarovic and Bozidar Vucurevic were not pardoned. Vucurevic commented he feels fortunate, adding that he was afraid of pardoning, because of which he taken some action and frozen his membership in SDS in order to avoid this humiliating pardon. "The latest decision, including the one from a month ago, is practically dozing the justice by a spoon. I am disappointed with the recent decision and my stance is already knowabolishment of HR's decisions, immediately and for everyone," commented Sarovic. "I think that this is probably about some kind of silent understanding inside the IC circles, so that new HR here wouldn't be faced with a ballast of a past time," commented Dusan Stojicic, RSNA Speaker. Reporter reminded that some of those pardoned searched for justice before the international courts, but epilogues of these lawsuits are still unknown. Glas Srpske pg 5 'Circus goes on' by N.Zelenovic - Daily carries statement of Slobodan Saraba, President of the Association "Justice", the association formed by the removed officials in BiH to protect their rights, said that the latest HR's decision makes no change to their activities, adding: "We will not give up on procedures we have launched before Strasbourg International Court for Human Rights." Nezavisne Novine pg 2 'Jelavic, Covic, Bicakcic, Pecelj pardoned...', announced on cover 'Bicakcic, Jelavic, Covic, Pecelj, Lemez Alibabic pardoned' by D.Risojevic - Daily publishes two lists it prepared of both officials pardoned that non-pardoned.

ICG on Balkans: EU
visa regime is
ghettoizing
Balkans

RTRS, Nezavisne Novine pg 6 'Visa regime ghettoizing the Balkans' by <u>SRNA</u> —
International Crisis Group has announced that EU visa regime towards Albania, BIH, SCG and Macedonia is creating a ghetto of that region and is endangering reform efforts in the Balkans.

RTRS 'Crvena linija' on const. changes: Agreement to be reached by consensus, not imposed by IC

RTRS 'Crvena linija' magazine <u>by Zoran</u> <u>Popovic</u> - Programme dedicated to the constitutional changes gathered SNSD offical Krstan Simic, SDS' Mladen Bosic, SDA's Mirsad Ceman and HDZ's Barisa Colak. Simic said the changes should be carried out within BIH Parliament or relevant Entity Institutions before the forthcoming elections. He added that FBIH should change its Constitution. Bosic stated that ability of BIH politicians to independently discuss the issue, without IC, shows the readiness for reaching an agreement. "We are ready to reach the agreement if other parties give up of their extreme requests" concluded Bosic. He notes that BIH will be a normal state only when IC leaves it. Ceman is of opinion that the agreement will be reached by consensus. Colak repeats HDZ advocates for new constitution, adding the changes will not be imposed by anyone adding that American Government has already greatly helped the negotiations. As for the issue of one President, Ceman stated that certain members of BIH Presidency act upon their own principles and/or without joint platform on the foreign policy. "This proves that, in the times when we still haven't fully restored the confidence, we need three-member Presidency as we cannot trust only one person," added Simic.Colak commented there should be one President, elected by the Parliament. On the issue of Council of Ministers, Colak is opinion that CoM should gradually take over most of the BiH Presidency's powers. Ceman believes that CoM should be abolished and the BIH Government established instead. Bosic on the other hand claims there are not obstacles to normal functioning of the CoM adding current composition needs only Ministry of Agriculture.

RHB/VL int with Ashdown: major steps in const. changes after elections; End of mandate on 31 January RHBby Milan Vego - In an interview to RHB, HR Paddy Ashdown stressed that constitutional changes are going to be a process and not an event. "Frankly I think that major steps in this will not be made until after the elections", stated Ashdown. He reminded that agreement on constitutional changes signed in Washington means that signatories agreed to discuss constitutional changes and added that until March certain steps will be made however small ones. "The important thing is that the process begins and it begins now", concluded Ashdown. Vecernji List pg 5 'Unfinished tasks would not be left to successor' by D. Jazvic also carries an interview with the HR in which the he confirmed that the official end of his mandate is January 31, 2006. The HR also said: 'I still have a few small things that I have to finish before I leave the duty. I have to finish tasks that I have set to myself. This is about adoption of a few laws such as the one on obligation...Then I would like to work, as much as it is possible, on opening a new phase, that is, giving bigger powers to the BiH authorities and complete building of BiH as a normal, democratic country.' At the end of the interview VL speculates that, most probably, Christian Schwartz-Schilling would be the next HR.

BHT 1 'Posteno govoreci' on SAA: SAA strategy to be presented to public for discussion BHT 1 'Frankly speaking' magazine by Duska

Jurisic — In an magazine dedicated to SAA

process, Igor Davidovic, BiH's chief
negotiator, underlines that EU will treat
the issue of the constitutional changes as
BiH's internal affair, whereas Brussels
welcomes the changes if they are carried
out by BiH politicians. Osman Topcagic,

Head of BiH Directorate for EU
Integrations, explains BiH's strategy for
negotiations has already been prepared and
approved by the BiH Council of Ministers.
This is to be followed by presentations
and public discussions, and subsequent
official adoption. He reminded that BiH
must comply with all EU requirements,
because the EC can decide to suspend the
negotiations if there is no progress in
reform processes in BiH. Both Topcagic and
Davidovic point out to the changes in
economy throughout the process, stating
that a lot will have to be adopted to EU
standards such as the production.

Brcko District: Police chief resigns; SDP announces breaking SRiH

FTV by <u>Halid Rifatbegovic</u> — FTV comments that Brcko District could face new executive and legislative authority crisis as the police chief, Milenko Milicevic, off coalition with has resigned. Although he did not publicly explain his decision, local analysts believe that it has something to do with recent criticism on the work of the District police. In addition, SDP threatens to break off a coalition with Party for BiH, because representatives of this party are working in accordance with their own, instead of common interests. SBiH expressed the surprise with the announcement. RTRS, EuroBlic pg RS8 'Milicevic was not dismissed as yet' by L. S., Glas Srpske pg 4 'He pre-empted removal by resigning?' by M. Djurdjevic, Nezavisne Novine pg 9 'Johnson considers Milicevic's resignation' by Srna, Glas **Srpske** pg 4 'He pre-empted removal by resigning?' <u>by M. Djurdjevic</u> — all reported on Milicevic's resignation.

President of HSP Djapic/Jurisic on Washington talks

Vecernji List pg 6 'Holy See supports organization of BiH with many regions!' by Z. Kresic carries an interview with President of HSP Djapic-Jurisic, Zvonko Jurisic, who claims that HDZ and HNZ tricked the agreement according to which they had to organize the meeting in November during which they were supposed to inform about the results of the talks on the Dayton project led by Donald Hays, however, the meeting did not take place. Jurisic also says that he is not satisfied with the Washington agreement and the signed statement since he believes that this solution is not favourable for Croats. He added that for this reason his party expects reaching of an agreement within Croat political parties.

### Economic issues

FBiH HoP neither
rejects nor
endorses Govt
decision on
Enegropetrol;
Govt to proceed
with
negotiations

FTVby Blazica Kristo — The FBiH House of Peoples was informed about the Government's decision to choose Croatian-Hungarian consortium INA-MOL for the strategic partner in the process of privatisation of Energopetrol company. Delegates refused to support both proposed conclusions, i.e. they neither supported nor banned the Government's activities on privatisation or its decision on selecting the strategic partner. FTV reporter speculates that the only concrete result of numerous FBiH Houses' sessions to discuss Energopetrol could be complete failure of the privatisation process. "I would be very happy if we manage to complete the process of Energopetrol privatisation, because I have 80 percent of doubt that we would make it", stated FBiH Prime Minister Ahmet Hadzipasic. "PM obviously made his decision long time ago, and he did not need the decision from the Parliamentary Assembly or the FBiH HoP. He simply rejected all the suggestions", stated HoP delegate Nermin Pecanac. Hadzipasic stressed that FBiH Government will continue the negotiations with the INA-MOL consortium, but added that he was not sure if those negotiations would result in an agreement. In addition, HVB Central-Profit Bank could activate the mortgage on 25 Energopetrol's gas stations as of Wednesday. Hadzipasic informed that the Bank has promised to give the FBiH Govt additional two or three weeks to complete the deal with INA-MOL. RHBby Zana Rebo — FBIH HoP also adopted the initiative to task the authority's bodies within the PBS system to examine the reasons for massive rejection to pay the RTV taxes; initiative to organize the thematic HoP session on privatization progress and its revision and initiative foreseeing the FBiH Police Administration to launch the revision of the police decertification process. Oslobodjenje pg 6 'To investigate possible threats to Zigic' by A. Terzic — HoP also demanded the investigation into the allegations by the former Industry Minister, **Izet Zigic**, that he was threatened. Hayat, Dnevni Avaz pg 12 'It was made possible for the Federal Government to co-capitalise petroleum company' by A. Deddajic, Oslobodjenje pg 3 'The Government continues with negotiations' by A. T, Nezavisne Novine pg 5 'decision of F BiH Government was not supported neither rejected' by M.Rener- also reported.

31<sup>st</sup> session of RS NA focused on economic situation in RS Nezavisne Novine pg 4 'Government preparing special Law for privatization of Refinery' by <u>R.Segrt</u>, <u>EuroBlic</u> RSpg 3 'Firms in great debts' by <u>Tijana Veselinovic</u>, <u>Glas</u>

Srpske pg 2 'Debts as noose' by D.Vrhovac-Mihajlovic— 31st regular session of RSNA has continued on Tuesday, during which representatives have discussed the situation and analyses in economy, which includes situation in Oil Refinery and analyses on small and medium businesses. Addressing the representatives, RS Minister of Economy, Energy and Development Miladin Gligoric stressed that Government will do everything to make even a larger progress toward revitalization of economy, during the next year. He stated that RS has reduced foreign trade deficit, public expenditure and salary deficit and increased economy activities. As far as refinery in Bosanski Brod in concerned Gligoric stated that it needs revitalisation and modernisation in order to reach its pre-war capacity. He added that this process requires 156 million Euros and therefore RS Government is looking for a strategic partner in that process. If partner were not identified, RS Government would enact a special law regarding privatization of this company. RS Finance Minister Svetlana Cenic addressed the RS NA deputies. She stated that audit report of Bosanski Brod refinery will be completed soon and added that RS Government is preparing changes to the law on bankruptcy. Cenic also stated that as far as macro economic plan is concerned RS has accomplished more than FBIH. She repeated once again that with VAT implementation pension fund in RS will be reformed. RTRS, PINK, BHT1 - also reported.

Session of BIH
fiscal council
held in Banja
Luka;
Causevicpresents
VAT registration
forms in BL

RTRS, BHT1, Glas Srpske pg 2 'Commendations to Srpska' by <u>D.Mo. — Session of BIH fiscal council has been held in </u> Banja Luka on Tuesday. One of main topic of the session was VAT implementation. Chief of IMF mission in BIH Peter Doyle has stated that IMF is pleased since progress was made in 2006 budget projections. He also commended RS authorities in the area of company restructuring, payment of taxes, implementation of bankruptcy procedures. Doyle stated that parameters of all budgets in BIH are still "on ice". RS Finance Minister Svetlana Cenic stated that 2006 would be the year of essential changes, especially with regard to reform of pension system. Continuation of the session is scheduled for next week in Brussels. RTRS, PINK, Glas Srpske pg 3 'Certificate for confidence' by M.Ms. — ITA Director Kemal Causevic has presented registration forms to biggest VAT payers from Banja Luka region on Tuesday.

Terzic proposed changes to VAT Law: Entities ministers and officials opposed to it

Nezavisne Novine pg 3 'Cenic and Vrankic against press' by A.Sekulic — Entities' officials Tuesday opposed to the proposal of Adnan Terzic, BiH COM Chair, that press and graphical works should be exempt from VAT. Daily learns that Svetlana Cenic and Dragan Vrankic, entities Finance Ministers, and Miodrag Kudic and Sefika Hafizovic, RS and F BiH representatives at the ITA Steering Board, opposed to this in fear that those may lead to further changes of the VAT rate on the eve of VAT implementation in January 2006.

Border issue with Croatia / Peljesac bridge

Croatian Transport Minister pays surprise visit to BiH, meets Dokic: BiH and Croatia must agree on what is reasonable; Sanader urges CoM to postpone ratification of '99 agreement

FTVby Zinaida Hamidovic — Croatian Minister of Sea, Tourism, Transport and Development Bozidar Kalmeta paid a surprise, unannounced, visit to Sarajevo. After the meeting with BiH Minister of Communications and Transport Branko Dokic, Kalmeta stressed that Croatia would continue preparing for the construction of the bridge between Peljesac island and the mainland. "Croatia needs that bridge and it has the right to build it; but, on the other side, Croatia is obliged to assure harmless and free access for all the ships which will go to Neum", stated Kalmeta after the meeting. Croatia will deliver to BiH Council of Ministers all the necessary documentation on construction of the bridge between Peljesac and the mainland by the end of the year. In the same time, Kalmeta categorically rejected media speculations that the implementation of this project could be linked with the ratification of the agreement on state border with BiH. Kalmeta added that some legal issues regarding the small rock islands Mali Skolj and Veliki Skolj are yet to be clarified, and that two Commissions for borders would have to solve this problem. Croatian Government on Monday stopped the ratification of the agreement on state border with BiH, signed in 1999; Croatian Prime Minister Ivo Sanader urged BiH CoM to postpone the ratification as well, suggesting that the new meeting on inter-state border should be held. According to 1999 agreement, signed by two late presidents Franjo Tudjman and Alija Izetbegovic, the peak of the Klek peninsula and two rock islands Mali Skolj and Veliki Skolj would belong to BiH. RTL — President Stjepan Mesic also thinks that current borders shouldn't be changed. Reporter stressed that Croatian Government will review the agreement once more, which could mean that Croatia is abandoning the agreement. RHB, HTV 1, PINK, Dnevni Avaz pg 8 'Kalmeta: BiH and Croatia must agree on what is reasonable' by L. Sinanovic, Oslobodjenje pgs 4-5 'Minister Kalmeta promised undisturbed navigation of ships' by Az. K., Dnevni List pg 5 'Bridge on Peljesac would not endanger BiH' by D. Polovina-Mandic, Vecernji **List** pg 2 'Kalmeta: WE have right to build bridge' by <u>D. Mamic</u> — also covered the meeting.

Halilovic: No new discussions with official Zagreb

Dnevni Avaz pg 8 'Halilovic: Veliki and Mali Skoj and the top of Klek peninsula belong to BiH', announced on cover 'It is not clear what Sanader wants' by H. Orahovac - BiH Civili Affairs Minister, Safet Halilovic, says that the agreement on borders from 1999 had already been achieved that he would not task the State Commission for Borders to open new discussions with official Zagreb. Hayat by Leila Gutlic - BiH authorities, including Council of Ministers weren't informed about this meeting. Bozidar Kalmeta stated that Peljesac bridge and borders issue were not related, but reporter disagreed. She stressed that border issue and bridge were brought into relation after conversation with Halilovic, who claims that expert studies have prove that land that Croatia plans to build the bridge on is not suitable, which would increase the price of the construction works, adding this was the reason for which they want BiH territory near Mali and Veliki Skolj. Reporter explained that if Croatia would get this territory, in return they would build a bridge between two countries in Bosanska Gradiska, which could explain the interest of Minister Branko Dokic. Hayat adds it has contacted the office of the Croatian Ambassador to BiH Josip Vrhbosic, but his associates told them that Ambassador is outside BiH. However, reported found him at the meeting with Dokic. BHT 1 by Sanita Lisica-Biberovic — Member of BiH Commission for state borders **Zeljko Obradovic** claim that the border between BiH and Croatia, established in 1999, cannot be changed. Nezavisne Novine pg 9 'Halilovic: We will not make any concession to Croatia' by <u>D.Risojevic</u> — also brings Halilovic along the same lines.<u>Hali</u>

Terzic: By building the Peljesac bridge Ivo Sanader sends a message he agreement on Port of Ploce

Oslobodjenje pgs 4-5, mentioned on cover 'By building the bridge Ivo Sanader sends a message he does not want agreement on Port of Ploce' Az. Kalamujic — CoM Chair Adnan Terzic said on Tuesday that BiH and Croatia might reconsider the agreement on inter-state border near Neum but that he did not see what could be changed in does not want what the two authorized states' commissions had already signed. Terzic believes that there is a connection between the reactions in BiH to start of construction of Peljesac bridge and Croatian Prime Minister Ivo Sanader's government's intentions to again raise the issue of inter-state border line. The part of this package is problem of use of CroatianPort of Ploce, according to Terzic. "By building the Peljesac bridge, Sanader has made it clear he does not want to talks on Port of Ploce," said Terzic.

Ivo Miro Jovic: To respect decision of Badinter's commission

Oslobodjenje pg 4 'To respect decision of Badinter's commission' — Chairman of the BiH Presidency Ivo Miro Jovic on Tuesday told the daily that it was necessary to respect the decision of Badinter's Commission, which had said that the states established following breakdown of former socialist Yugoslavia had to maintain borders from that time.