## OHR BiH Media Round-up, 31/1/2003

Oslobodjenje	International Court of Justice — Yugoslavia will be tried for genocide and aggression; Eronet affair — Covic accused of office misuse; SFOR handed over Fijuljanin					
Dnevni Avaz	Council of Consumers request the stoppage of new ID cards issuance; SFOR released Fijuljanin					
Dnevni List	Meeting of representatives of HVIDRA of Herceg Bosna with Croatian Minister for Defenders Ivica Pancic: Defenders do not lose acquired rights					
Vecernji List	Dragan Covic, Croat member of BiH Presidency, on criminal charges: Election losers are accusing me					
Slobodna Dalmacija	Criminal charges against Covic, Soljic and Gilja because of Eronet					
Glas Srpski	National subjects' textbook: Revision again; Nova Banja Luka's Bank: Charges against debtors; Insult for camp prisoners					
Nezavisne Novine	New Bank Privatization Scandal Uncovered in the RS — Secret Agreement between Vilendecic, Vracar & Mihajlovic; BiH Federation Police Charges Dragan Covic with Embezzlement Worth 50 Million Marks; Omer Behmen: SAD is only interested in power; Debts Dry up the Wells in Dubica; Engine Drivers Strike Again					
Blic	Cavic: Judiciary and Government to deal with judge Salem Miso; Laktasi's debt for electricity 5.2 million; Ashdown: 1/5 barely surviving; Clarke: District Assembly decides on Milicevic					

International community/OHR					
Yugoslavia	The FRY request before the Hague-based International Court of Justice for review of				
will be tried	the Court's authority in case BiH against FRY has been rejected, learns				
for aggression	Oslobodjenje (front page, p 3, Dnevni Avaz, p 2: The Hague rejects Yugoslavia's				
and genocide	request", Vecernje Novosti pg. 3 headline 'Barrier to FRY complaint?'). "BiH has a				
	reason to celebrate," an unnamed source form The Hague told the newspaper. The				
	Court's decision will officially be announced on Monday. BiH pressed charges				
	against FRY for the genocide and aggression yet in 1993.				

PIC Steering Board completes its session in Brussels

The High Representative met the Peace Implementation Council Steering Board at political directors' level on 30 January 2003. The Bosnia and Herzegovina (BiH) authorities were represented by the Secretary General of the Standing Committee on Military Matters, Stjepan Pocrnja, and the Minister for Human Rights and Refugees, Mirsad Kebo. The meeting began with a presentation by BiH authorities of BiH's defence targets by the Secretary General of the Standing Committee on Military Matters. The Steering Board welcomed the targets as a first step and noted that progress would be necessary. BiH needed to establish effective state-level civilian command and control over the armed forces through the Standing Committee on Military Matter whose Secretary General should be full member of the CoM, introduce proper parliamentary oversight of all defence matters, and continue to restructure the armed forces to bring them into line with BiH's needs and resources. The Steering Board discussed the economic prospects for BiH, following a presentation by the World Bank. They agreed that despite recent improvements in the macro-economic performance, economic conditions remain fragile: 20 % of the population was below the poverty line as internationally defined, and another 30% of the population was close to it. BiH was falling behind its neighbours in implementing the reforms successfully pioneered by countries like Hungary and Poland. The Steering Board singled out the lack of progress in opening up the public utilities to competition, and in particular the electric power and telecommunications sectors. The OHR's Mission Implementation Plan (MIP) was also discussed and approved. The Steering Board welcomed the OHR's focus on what was essential. They agreed that the OHR's over-arching objective was to ensure full implementation of GFAP, so that BiH would become a peaceful, viable state irreversibly on course for European integration. The Steering Board agreed that the declining public international resources for BiH made prioritisation essential and welcomed OHR's closure of several departments in 2002. They agreed that the MIP was not an exit strategy for the international community, but part of OHR's wider strategy in supporting BiH's transition to Europe. Following the presentation by the Minister for Human Rights and Refugees, the Steering Board fully endorsed the Annex VII (GFAP) Implementation Strategy as an evolving domestic framework for continued progress on returning refugees and displaced persons. The cost implications of this strategy need further evaluation. The Steering Board supported the RRTF's strategy for building capacity within the institutions that are envisaged to lead the process in 2004, including civil society. They called for redoubled efforts by the BiH authorities to create the conditions, including budgetary, to promote, receive and sustain the return of refugees and displaced persons. In particular, they called on all levels of authority in BiH to increase efforts to complete property law implementation in accordance with the New Strategic Direction launched by the PLIP agencies in September 2002. Finally, the Steering Board welcomed the OHR's and UNHCR's continued commitment as co-chairs of the RRTF, and partner Agencies within the RRTF, to facilitate the return process while transferring leadership to the local authorities. The Steering Board welcomed the establishment of the State Court and State Prosecutors Office of BiH, the adoption of the Criminal and Criminal Procedure Codes of BiH and plans for further progress in developments of judicial reform. They welcomed as well the progress made by the ICTY/OHR working group in developing a strategy to build domestic capacity in BiH to try war crimes. Steering Board members also noted the need to strengthen BiH's legal and law enforcement capabilities to address the threat of terrorism. Finally, the Steering Board also welcomed the recent launch of the European Union Police Mission, according to the Communique issued following the

session. (Dnevni Avaz p 2: "Almost a half of BiH population live in poverty")

Brussels on BiH's chances to join Euro-Atlantic associations Military effectives in BiH are not under an efficient civil control by the BiH institutions and they are not acting in the state interest. This is according to Dnevni Avaz (p 3: "B-H armies are not under civil control") one of the positions expressed during the Thursday's session of the PIC Steering Board in Brussels. The officials of NATO and particularly the representatives of US and Great Britain emphasized that the armies in BiH were full of examples of the disobedience to the civil command and other irregularities.

Dnevni List, page 5: "Goals of BiH defense policy presented to PIC" carries that OHR Spokesperson Oleg Milisic informed that Stjepan Pocrnja, Secretary General of Standing Committee for Military Issues, presented to the Peace Implementation Council Steering Board the goals of the of the BiH defense policy in Brussels yesterday. According to Milisic, Paddy Ashdown, High Representative, welcomed this step, however, the HR stressed that it is clear that the BiH authorities will have to do more with regard to this issue. (Nezavisne Novine, p 6, Glas Srpski pg. 3 headline 'Seven conditions'; Blic pg. 7 headline '1/5 lives in poverty')

Mirsad Kebo, Minister for Human Rights and Refugees for BiH - 460 million Euros for Returns "Nezavisne Novine", page 6 — Minister Kebo announced yesterday that it is quite certain that with the help of the international community, BiH could expect to secure 460 million Euros over the next four years for the reconstruction of 50,000 residences, and for the return of about half a million refugees and displaced persons. "It is a donation that the EU cannot pledge on its own, but there are a number of other donors and countries so that we can expect that in the next four years the program strategy for returns can be carried out" said Kebo speaking from Brussels by telephone. After his presentation to the members of the Executive of the PIC, Kebo said that BiH's strategy in this area received the full support of the council members, especially the efforts of BiH in realizing secure and sustainable returns. The council members appealed to the BiH authorities to increase efforts to secure alternative accommodation, a secure environment and to implement the property laws. During the war, two million BiH citizens left the country. Up until now, 920,000 have returned while according to Kebo, another half million still wish to return to their pre-war homes.

#### Henry Clarke criticizes the media

"Nezavisne Novine", page 5 — Supervisor of the Brcko District on Milenko Milicevic, candidate for Chief of Police - International Supervisor of the Brcko District, Henry Clarke, yesterday stated that at a meeting with candidate for Chief of Police Milenko Milicevic, the members of the transitional Brcko District council heard firsthand the accusations about him that have appeared in the media recently. Clarke told media at a press conference that "The transitional council members have their own stand, and won't rely on personal attacks in the media". The supervisor sharply criticized the media for their coverage of the "Milicevic" case, telling them that the media has the right to do report on various things but that first they had to verify them as, according to him, reporting gossip is not good. "In this case the transitional council members only knew what they had seen in the press, while Mr. Milicevic had clear answers" said Clarke, saying he would not interfere in the Council's responsibility in its job of naming a Chief of Police for the Brcko District. HDZ member of the Transitional Council, Pero Gudeljevic denied the press reports that the Croat council members sided with the Serb members who are against appointing Milicevic as Chief of Police. (Glas Srpski, p 2: "Clarke supported Milicevic", Dnevni List, last page: "Clarke supports Milicevic")

The HDZ party representative at the Brcko District Interim Assembly, Pero Gudeljevic, denied text published yesterday at Banja Luka daily "Nezavisne Novine", which reads that the Croat representatives have associated with the position of the Serb representatives, who refuse to confirm the appointment of Milenko Milicevic to the position of the police chief. (Dnevni List, p 4, Nezavisne Novine, p 5)

#### Klein's farewell visit to Banja Luka

The former Chief of the UN Mission to BiH, Jacques Paul Klein, said on Thursday in Banja Luka that the future of BiH is in European integration in which the country must engage as soon as possible. He emphasised that he told representatives of international community in Brussels and Strasbourg, when they said that it is expensive to bring BiH in Europe, that it is more expensive to keep BiH out of Europe. During his farewell visit, Klein held talks with the RS President and vicepresidents, Dragan Cavic, Adil Osmanovic and Ivan Tomljenovic, Speaker of National Assembly Dragan Kalinic, and RS Prime Minister Dragan Mikerevic. Klein emphasised that it is necessary to prosecute all persons who are responsible for committing of war crimes in BiH.

Cavic said that authorities in BiH must responsibly take the faith of the country into their own hands and expressed hope that there will never be another conflict in BiH, which would envisage an intervention of the UN. (Glas Srpski pg. 3 headline 'Farewell of peacekeeper', Blic pg. 7, Nacional pg. 11 "We are grateful to the RS leadership for great improvement')

#### on OHR

Slobodna Bosna | Slobodna Bosna: January 30, 2003 — Two stories in SB's 'MINI MARKET' column are OHR related — negative angle (pg. 14 and 15). The first one entitled 'Russian Vadim Gorelov, SDS's man in the OHR' tells of a recent, informal meeting by several heads of the SDS and the RS. They openly spoke about possible consequences after several

> IC reps stated the 'Orao' affair report was insufficient, incorrect and unacceptable. Their concern was however removed by a senior RS official employed in a state institution in Sarajevo. He stated that according to his source from the OHR they should not worry because there would be no sanctions or punishments. According to SB's source (who participated the meeting), everybody knew that the 'OHR source' was Vadim Gorilov — a Russian diplomat who is one of the key people at the OHR political department and is in charge of relations with the RS. The Russian diplomat arrived to BiH during the war and after a number of mysterious posts he was employed at the OHR in 1996. He was for a while a political advisor in Klein's cabinet (when he was Westendorp's Deputy). Gorilov continued working for the OHR, and with the arrival of HR Ashdown and his team was promoted in the main OHR man for relations with the RS. According to the SB's sources from the RS leadership, thanks to Gorilov RS heads find out every little secret from the OHR in the shortest time possible.

> The second story 'Ashdown does not know what to do with Slobodna Bosna'. Quotes HR Ashdown from a recent meeting he held with leaders of the BiH Liberal Party as saying that three big obstacles were in the way of his project of reforms in BiH. "I removed one, Director of the FOSS Munir Alibabic, and two more remain. Zlatko Lagumdzija and Slobodna Bosna," said Ashdown. He further stated that his idea to remove Lagumdzija from BiH and find him a spot in the diplomacy fell through, but was still hopeful Lagumdzija would accept the offer. He said the problem of Slobodna Bosna remained due to democratic standards, which excluded banning media. One of Liberal party members suggested Ashdown to change the tactics with the magazine and try and help the SB through one of UK big foundations. The same person told Ashdown that he moment he got them financial sources they would start 'eating out of his hand'. Apparently, Ashdown took the suggestion into consideration.

#### **Affairs**

#### Fijuljanin handed over to FBiH authorities

NATO-led troops in BiH handed over on Thursday to local authorities a suspect accused of having links to the al-Qaeda terror network, ending a bitter row over the three-month detention. Sabahudin Fijuljanin was then freed by a local court pending trial on charges of illegal possession of weapons, his lawyer Osman Mulahalilovic told AFP. He added that the country's prosecutors had no case to charge him with terrorism, and had no grounds to keep him in detention. The NATO-led Stabilisation Force (SFOR) was "disappointed" with the decision, spokesman Shawn Mell told AFP. "We still consider him a threat," he said adding that SFOR expects BiH authorities to do everything necessary in the ongoing investigation. Bosnia's presidency had demanded the immediate transfer of Fijuljanin, a Muslim who had been held at the US base in Tuzla since October but never faced charges. Earlier Thursday Fijuljanin was placed in the custody of interior ministry officials. "SFOR has now reached a point in its investigation that can accommodate transfer of Fijuljanin" to the authorities of the Muslim-Croat half of Bosnia, it said in a statement without elaborating. "Based on information received as result of our investigation we still consider him to have ties to some terrorist connections," Mell said. Mell said that SFOR would cooperate with local authorities to continue the investigation. Fijuljanin was being questioned by local police in Srebrenik near the northern town of Tuzla, his lawyer said adding that the questioning was to continue Friday. Fijuljanin, a Muslim living in the northeastern village of Gornja Maoca, was taken in October to the US base in Tuzla on suspicion of spying. He was found in possession of an illegal antitank weapon. NATO later said that Fijuljanin had ties to al-Qaeda, which is blamed for the September 11, 2001 attacks in the United States. Earlier this week SFOR rejected a request by Bosnia's presidency for the immediate handover of the suspect to local authorities, saying their investigation was still ongoing. The request came after Bosnia's top human rights court ruled that local authorities must ask SFOR to "immediately place" the suspect in their custody. BiH cited the European Convention on Human Rights, which is fully incorporated in the country's constitution, as the basis for its request. Contrary to the convention's provisions, Fijuljanin had been held in custody by SFOR for more than three months although no charges have been brought against him. SFOR has maintained that their mandate, set out in the peace deal that ended Bosnia's 1992-95 war, provides for the unlimited detention of suspects to protect its troops. Following a protest to NATO by Amnesty International, a lawyer was allowed to contact Fijuljanin twice. During and after the Bosnian war, Fijuljanin lived in the northern village of Bocinja, then inhabited by fighters from Islamic countries, locally known as mujahedeens. (Oslobodjenje, p 6, mentioned on the front page: "Fijuljanin is not a terrorist", Dnevni Avaz, p 2, mentioned on the front page: "Fijuljanin to defend himself from liberty", Glas Srpski pg. 3 headline 'Dormant terrorist')

#### **CIPS**

The BiH Association of Consumers sent on Thursday a letter to the BiH Council of Ministers requesting that the issuance of the new ID cards is temporary stopped and that the price for the ID cards is reduced from 14.5 to 5 KM. The letter signed by the Association's president, Mesud Lakota, said that this request followed the complaints to the price lodged daily by more than 60 citizens through the Association's open phone line. (Dnevni Avaz, front page, p 9, Oslobodjenje, p 7:

"The issuance of ID cards has to be stopped")

#### Dnevni Avaz editorial: Skrbic must be held responsible

"The latest developments related to the implementation of CIPS project represent an excellent illustration how the best idea can be misused and ruined if its realization is given in hands of wrong people,"

Armin Zeba wrote in the Dnevni Avaz Commentary of the Day. "B-H public rightfully protests wondering what else should happen in order for the newly-elected officials to demystify the CIPS affair and not only remove from the offices but also legally sanction the actors including the CIPS Director Mirko Skrbic," Zeba concludes.

#### DL: "Eronet is doing business and it does not deal with politics"

Dnevni List (page 7) carries that during the presentation of new Eronet's scholars, which was held in Mostar yesterday, Bozo Knezevic, President of Eronet's Steering Board, stated: "Eronet is not a Mafia's nest, and Eronet does not deal with politics but it is doing business." Asked to comment on the criminal charges filed against Dragan Covic, Croat members of BiH Presidency, and some other persons involved in this case, Knezevic said that he is not authorized to make comments on such issues and added that he does not doubt that competent, state institutions will do their job. Knezevic stressed: "We are expecting that the Commission, made of world experts, will determine by March what amount Eronet has to pay for the third GSM license and I believe that this will be finished soon." (Oslobodjenje, p 5, also publishes an article on the issue: "Covic accused of office misuse") On the issue of the third GSM licence in BiH, Vecernji List (page 2, by z.k., "ERONET gets licence") reads that ERONET will get the third GSM licence by mid-2003 after the BiH Council of Ministers confirms how much the company has to pay for the licence given the share of the private ownership in it. According to VL, the estimates say that ERONET will have to pay between 15 and 20 million KM in the next 10 to 15 years due to the fact that Croatian Telecommunications (HT), Hercegovina osiguranje and Alpina Comerc own 95% of ERONET shares.

#### Lidija Korac on Conflict of Interests Law implementation

Dnevni List (front and page 5, by <u>Miso Relota</u>, "Names of politicians who violate rules known") carries an interview with the President of the BiH Election Commission, Lidija Korac. She reiterates that the Commission has information that some elected officials are still holders of executive posts or advisors, which opposes the Law on Conflict of Interest. In that context, Korac does not want to go out with names but announces that, when the Commission has completed the procedure, the Commission will pass sanctions.

Questioned to comment on future destiny of the Croat member of BiH Presidency, Dragan Covic, regarding alleged criminal charges pressed against him by the Federation MoI, Korac says the issue lies not with the Election Commission but the judiciary. "Judiciary is independent and it needs to be left alone to do its job and the Election Commission its job. At the end of the day, I am not fully informed and I do not have proper information".

#### Dragan Covic responds to criminal charges

Vecernji List (front and page 3, by Zoran Kresic, "I am accused by election losers") carries an interview with the Croat member of BiH Presidency, Dragan Covic, in which he responds to alleged criminal charges pressed against him. Covic denies the allegations in the charges and puts them in the context of election results, the situation in which "election losers", according to Covic, are trying to manipulate with the public and prevent issuance of the third GSM licence to ERONET. "I have never broken the law in my whole life. All decisions by the HPT's Steering Board were passed in accordance to the law", says Covic and adds that he will observe decisions of the BiH judiciary whatever they might be. "It is in the interest of the Croats and other citizens of BiH to let the judiciary do its job (...) I think the contents of the information has been prepared to prevent ERONET from getting the licence", says Covic. VL says it is significant the charges against Covic appear two years after "the SDP's Alliance" took over the HPT Mostar's Steering Board

## Bakir Izetbegovic will have to give up one of his functions

"Nezavisne Novine", page 7 — Izetbegovic cannot be a member of the FBIH House of Representatives in the FBIH Parliament and the director of the department of Urbanism for the City of Sarajevo, says Sehic. Vehid Sehic, vice president of the Election Commission, checking which officials conduct activities that are a conflict of interest. These checks are being done according to the personal information forms which the Commission distributed to all elected or named officials

after announcing the official election results held October 5<sup>th</sup> last year. It is expected that these checks will soon be completed and that any officials found to hold positions which are a conflict of interest will be informed that they must give up one of the positions. If they refuse to do so themselves, the Elections Commission will do it for them.

Senad Avdic on students' protest, Pogorelica case Slobodna Dalmacija (front and page 15, conducted by <u>Blanka Magas</u>, "Mujaheddin camps formed mostly in areas under control of British military") carries an interview with editor-in-chief of "Slobodna Bosna" magazine, Senad Avdic, in which he talks about recent events surrounding the announced protests of some Sarajevo students.

Talking about the "Pogorelica" case, Avdic says the camp was training people to assassinate political and other opponents and that the IC was informed about everything but opted to do nothing in most of the cases, until September 11 two years ago when the IC, according to Avdic, requested urgent anti-terrorist measures. Avdic says it is interesting that most of the mujaheddin camps were located in the areas under the control of the British military and almost nowhere else.

Questioned to give his view about the real goal of the students' ultimatum, Avdic says: "The problem is the Federation (of BiH). You can see for yourself that no Bosniak is contesting the existence and functioning of the RS. It is like a done deal. The Federation is the problem and I think the students are used as a tool in order to destroy this small number of elements that create the Federation."

Interview with
Omer Behmen,
president of
the citizen's
Association
"Young Muslims"
- "SDA is only
interested in
power"

"Nezavisne Novine", page 4 — "Communism and its laws are still in power today" says Omer Behmen, certainly one of the most controversial Bosniak intellectuals. Behmen is one of the founders of the SDA BiH. He was twice imprisoned during Communism. First in 1949 when he was sentenced to eleven years in jail and the second time in 1983, when he received a sentence of 15 years of which he served five, in the famous trial of "Muslim intellectuals" which included Alija Izetbegovic. "Yes, those were difficult times" remembers Behmen, adding "So in 1990, at the founding meeting, the SDA was founded by 14 people, twelve of which were prisoners. Behmen says in the interview that the SDA has transformed quite a bit and that it is not the same SDA today as one part has been thrown out since they are not necessary for these times. The slogan is no longer "We must be a movement" but rather "We are a political party". Now that party is becoming one group that is interested in power. A party cannot be only that, especially in our conditions. It cannot afford not be close to the people, every day events and those on-going real problems of the ordinary man. Considering events, politics and a situation where we are practically a colony, the party has moved away from the ordinary man".

Secret
Agreement
between Simeun
Vilendecic,
Milenko Vracar
and Milenko
Mihajlovic

"Nezavisne Novine" page 3 — According to documents, secret agreement was reached between Nova Banka in Banja Luka and Pavlovic International Bank. Nova Banka, headed by Milenko Vracar, received 1,000 square metres of office space in the Privredna Banka building in Doboj for one Euro. In agreement with American businessman of Serb heritage Slobodan Pavlovic, Nova Banjalucka Bank, headed by former RS Finance Minister Milenko Vracar and the RS Tax Administration last year got their hands on elite office space in Doboj worth two million KM for only one Euro. According to the text of the agreement, the Nova Banjalucka Bank got this space in return for allowing the sale of the Privredna Bank Doboj to the Pavlovic Bank. The current RS Finance Minister Simeun Vilendecic says this is not true as Slobodan Pavlovic made a better offer than did Milenko Vracar. Vilendecic says the agreement, which was signed on December 20<sup>th</sup> last year although the RS government officially sold the Privredna Bank Doboj five days later on

December 25<sup>th</sup>, is completely illegal. "What they did was illegal

because at the time the agreement was signed, the bank was still state-owned. No one can sell someone else's property" says Vilendecic. The Minister says he never saw the agreement which served as the overture for the final sale of the of the Privredna Bank Doboj. That bank was sold on December 25<sup>th</sup>, six days before the expiry date for the sale of banks in the RS, to the Pavlovic Bank for 550,000 KM who, says Vilendecic, made a better offer. The finance ministry's committee in charge of the sale of banks ranked the offers of VB Bank, Privredna Bank Sarajevo, Zepter Bank and Bijeljina Nova Banka behind that of Pavlovic Bank. Nova Banjalucka Bank also made an offer but according to Vilendecic, it was considered invalid as the offer was later increased. The agreement reads "On the basis of healthy competition with the goal of establishing good business relations and in the interest of both sides, the Nova Banjalucka Bank — having made a better offer, agrees to let Pavlovic Bank buy the entire state capital of Privredna Bank Doboj". For allowing the sale to go through, the Nova Banjalucka Bank received 1,000 square metres of office space from Pavlovic Bank. Minister Vilendecic claims not to have known about the agreement, however, Pavlovic Bank claims otherwise. "On December 17th the minister called us to come to the government building, to agree on the sale of the bank. There we found Milenko Vracar accompanied by his lawyer Dragan Matic, who then increased their price. My boss, Slobodan Pavlovic said "OK, we'll give them the 1,000 square metres they asked for to get the bank", says Milenko Mihaljovic, director of Pavlovic Bank. Mihajlovic did not wish to comment on why Pavlovic gave the 1,000 square metres when Vilendecic says that they made the best offer. "That is our business secret" says Mihajlovic. "We didn't sell them the building, we gave it to them as a gift". Vracar refused to speak to reporters, meanwhile, in the next few days the terms of the agreement should be realized and the Nova Banjalucka Bank will take over the space they got for one Euro.

Reactions to BiH Court opening/Cavic on Salem Miso "If it is proved true that judge of the BiH Court Salem Miso tried Serb prisoners in 'Viktor Bubanj' during the war, I will request from our judiciary to undertake all necessary measures", RS President Dragan Cavic said. He added that he expected competent ministry in the RS Government to deal with that issue. (Blic pg. 7 headline 'To check accusations about judge Miso Salem', Glas Srpski pg. 3)

Association of Camp Prisoners and Association for Searching of Captured Soldiers and Missing Civilians from Srpski Brod condemned the decision on opening the BiH Court in former 'Viktor Bubanj'. The Association blames the High Representative Paddy Ashdown for that "although he has come to BiH to establish peace and tolerance among people". "With such an decision the High Representative proves that peace and coexistence are far away from this area", the Associations warns. They ask the High Representative to suspend the decision on beginning the BiH Court's work in former 'Viktor Bubanj', because by that decision terror over Serbs continues and camp prisoners again suffer insults and humiliation. (Glas Srpski pg. 3 headline 'Insult for camp prisoners')

'Why the SDS and SDA are not happy with the selection of Salem Miso at the BiH Court' in the Slobodna Bosna's 'MINI MARKET' column on pg. 12. The magazine offers its angle on the newly arisen situation in the

case of the BiH Court Judge Salem Miso. Media from the RS, as well as the VoA and amateur PBS, accused Judge Miso of being a Judge with the Sarajevo County Military Court and committed court executions against Serbs. SB points out that according to such reports the County Court was a para-state and illegal institution, and not a part of the BiH judiciary, which was exposed to aggression and genocide. 'Despite the fact that some other judges also held similar status as Miso — Vlado Adamovic, Davorin Jukic — it is interesting that the 'Serb prisoners' do not question their role, but only Miso's," reads the article. The magazine goes on to label certain media as imbeciles (including some in the Federation) for requesting from Miso to answer why he did his

job during the war. The magazine further notes that no Bosniak institution defended this cruel media attack against Miso. According to some, Miso is being attacked because he should take over the case of Hasan Cengic. Others, on the other hand, claim that this was all agreed between the SDA and SDS. Apparently, the SDA has not forgiven Miso for acquitting Croats in the Leutar case. According to SB's sources from the OHR, the SDA will persist in attempts to prevent Miso's appointment at the BiH Court.

#### Ravnogorski Chetnik Movement

On pg. 36/37/38 and 39 an article entitled 'Ravnogorski Chetnik Movement, apart from terrorism against returnees, has a crucial role in protecting war criminals' by Mirsad Fazlic. Carries an insert on pg. 37 with a picture of HR Ashdown entitled 'Why chetniks, despite everything, are still not terrorists for Ashdown?!'. The article lists a number of attacks in the past year against Bosniak and Croat returnees and Islamic Community's premises. It also provides information that behind most of the attacks turned out to be members of the Chetnik movement. "Despite all obvious proof that leadership, members and supporters of the Ravnogorski Chetnik Movement are directly behind the biggest number of attacks against returnees, vandalizing of religious institutions and militant gatherings, the IC in BiH never treated the organization and its members as terrorists. For most IC reps terrorism was and remained 'the privilege' of Bosniaks, while chetniks had been treated more as a national folk group," concludes the article.

#### Reforms/economy

New draft Law on BiH Ministries adopted Dnevni List (back page, <u>ONASA</u>, Law on ministries and bodies of administration in BiH discussed") reads that the Council of Ministers did not end the discussion on Law on Ministries and other bodies of administration in BiH not even after working on it for seven hours, as presented to journalists last night by the Secretary of the Chair or CoM, Tarik Djodjic.

"Since this is a very important law for functioning of the CoM, coordination goes point by point. Most of the provisions of the law have been agreed upon and we hope the law will be sent to the parliamentary procedure in a form of a proposal soon", says Djodjic adding that the CoM agreed upon "competence of the ministries, independent administration and

definition of all ministries". Djodjic went on to say that "a lot of things" have been changed when compared to the predraft prepared by the OHR on December 27 last year. According to him, some things have been changed at suggestion by the OHR. Namely, among other things, it was agreed yesterday that the state ministries in the law will be treated as "BiH ministries" and not like" ministries in the Council of Ministries", as stipulated in the pre-draft (Oslobodjenje p 9). Dnevni Avaz, p 4, reported that late on Thursday, the BiH CoM unanimously adopted the draft Law on Ministries proposed by the Chairman Adnan Terzic. The draft will be sent into an urgent parliamentary procedure.

# Mehmed Jahic, the director of FBiH Bureau for Accounting and Audit, on VAT

Mehmed Jahic, the director of the FBiH Bureau for Accounting and Audit, told Dnevni Avaz (p 9: "There will no VAT without a single companies' register") that there were many dilemmas surrounding the issue of VAT introduction. "I fully support VAT introduction, but in order for the system to be efficient and applied at the state level a single register of companies must urgently be established," Jahic said.

#### DL: Nikola Grabovac on VAT

Dnevni List (front and page 6, by <u>S.Z.,</u> "VAT does not have to mean increase of prices") carries a professor of the Sarajevo Faculty of Economy, Nikola Grabovac, as saying that the Economic Institute with the aforementioned faculty has made an analysis of introduction of VAT in BiH at a request of the Federation Economic Chamber. "The fundamental concept has been envisioned that way that a Law on VAT be enacted in the BiH Parliament and to be unique for the whole BiH. Collection and revenues from the tax would be collected at the place of purchase i.e. so they become incomes of the cantons in the Federation and in the RS in accordance to their (RS) constitutional solutions, 70% to the entity and 30% to a municipality", says Grabovac. Grabovac goes on to say that the initial phase of application of VAT could cause problems to companies with regards to their solvency, something that would get better, in Grabovac's opinion, in the second phase. Grabovac also says the analysis suggests the future proponents of the law to maintain the current tax rates used in sales taxes which in turn won't make the prices dearer.

#### SERDA established

The heads of 20 municipalities from the Sarajevo region on Thursday signed an agreement on the establishment of an agency that will work on developing a single Sarajevo economic region. The idea on SERDA formation was launched three years ago by Morris Power, the Head of the OHR regional office in Sarajevo, and it was than courageously supported only by two men: Predrag Lasica and Beriz Belkic. (Oslobodjenje, p 15: "A single Sarajevo economic region", Dnevni List, page 8, by <u>D. Saric</u>)The Principal Deputy High Representative for BiH, Donald Hays, who witnessed the signing said: "This is another step in which common people, businessmen and entrepreneurs have the priority in order to improve their life". Hays also stressed that a SERDA representative met with businesspersons and representatives of the OHR's "Bulldozer" commission on Wednesday, when they agreed that 15 laws needed to be changed in order to create positive climate and create new jobs.

#### BiH/Croatia relations

DL: Meeting of representatives of HVIDRA of Herceg Bosna with Croatian Minister for Defenders Ivica Pancic

Dnevni List (front and page 3, "Defenders do not lose acquired rights") carries that representatives of HVIDRA of Herceg Bosna met yesterday in Odzak with Croatian Minister for Defenders Ivica Pancic in order to discuss the recent decision of the Croatian Government to resolve the issue of HVO defenders and victims permanently. Minister Pancic stated: "The Republic of Croatia will continue to guarantee the payment of money to the victims from the BiH territory." Pancic reminded that it is necessary to sign the agreement between BiH and Croatia on the ground of which the status of payments to war victims would be regulated. Pancic stressed that the Croatian Government is willing to increase expenditures for this category of beneficiaries up to 15%.

### Cropress on Mesic's visit to Mostar

Slobodna Dalmacija (last page, "Mesic in Mostar soon") and Dnevni List (page 12, "President Mesic is coming to Mostar soon!") carries that during the last meeting between members of the BiH Presidency and Croatian President Stjepan Mesic, which was held in Hrvatska Kostajnica in December last year, it was proposed that the first meeting of the Interstate Council for Cooperation between BiH and Croatia takes place in Croatia during the first six moths of this year, while the next meeting should take place in Mostar. The dailies carry that Mesic's Advisor for Foreign Policy Tomislav Car sent a letter to Mostar Mayor Hamdija Jahic and his Deputy Neven Tomic in which he informed them that Mesic's visit to Mostar will take place soon. (Vecernji List, front and page 2, "Compensations still coming from Zagreb")