

OHR BiH Media Round-up, 31/12/2004

RADIO HERCEG-BOSNA (18,00 hrs)	BH TV 1 (19,00 hrs)	FED TV (19,30 hrs)	RT RS (19,30)
120000 killed in South Asia	120000 killed in South Asia	Session of FBiH HoP	Karadzic, Mladic not in BiH
Tihic on current crisis	New tsunamis threat India	Issue of Mostar budget	23 year old found dead
HNC Government's session	Vladimir Cvijic found dead	Action of FBiH MoI	Dismissed customs emp.
HR New Year message	RS/CoM crisis chronology	Indictment against 10 per.	RS Gov. in session

Oslobodjenje	BiH has great chances to join EU
Dnevni Avaz	2005 will be a year of opportunity and challenge
Dnevni List	Interview with Stipe Mesic: Croats will always have support from Croatia
Vecernji List	Fear of new Tsunam
Slobodna Dalmacija	World bank to Government: Do not touch successful companies!
Glas Srpske	New Years' message of Dragan Cavic: Unity is a key to survival
Nezavisne Novine	BiH ITA: All taxes at one cash register as of 1 January
Blic	Dragoljub Davidovic: Banja Luka can be an example to many people
Vecernje Novosti	Interview with Vojislav Kostunica: A turning year for Serbia

Belgrade's Nacional	Features Serbian related topics
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Political developments/reforms

**HR New Year's
message**

Herceg Bosna Radio, Oslobodjenje cover page, pgs 4-5 'BiH has great chances to join EU', **Dnevni Avaz** cover page '2005 will be a year of opportunity and challenge', pg 2 '2005 will be a year of huge challenge', **Dnevni List**, pg 8, mentioned on front 'Structure of authority in BiH is untenable', by N. Bise, **Nezavisne Novine** pg 4 'Nobody is abolishing RS' by SRNA; **EuroBlic** RSpg 8 'No conspiracy against RS' by R.R.; **Glas Srpske** pg 2 'Greeting card with three wishes' by N. Diklic – "2004 was a year of real achievement. 2005 will be a year of historic opportunity and huge challenge," said HR **Paddy Ashdown** at the beginning of his New Year's message to BiH citizens. "Bosnia and Herzegovina has successfully reached all the targets set out in my New Year message a year ago, and more. The Indirect Taxation Authority, which will lead to a modern financial system, has been established in Banja Luka, and the introduction of VAT is On target. Defence reform has now fulfilled almost all the requirements for membership of NATO's Partnership for Peace. A High Judicial and Prosecutorial Council, regulating the rule of law to European standards across the whole of BiH, has been established. Mostar is now a united city under one Council and one Mayor. SIPA has been set up as the key national force to fight crime on behalf of the citizen. The reform of BiH's electricity distribution system has opened up the entire distribution network for the region. Privatisation is moving forward again. The introduction of directly elected Mayors has strengthened your municipal system and, in October you showed once again that BiH could run and fund efficient, fair and completely violence free elections, to the highest international standards. Finally and most significantly, the progress BiH has made on the EU's 16 Feasibility study conditions has surprised and impressed BiH's international partners. Provided the few remaining tasks are now completed and implemented, Bosnia and Herzegovina is now within reach of qualifying to take the next historic steps down the path to Europe and NATO within a few months," emphasized Ashdown. "There are not many who believed, on 1 January this year, that BiH could move so fast in 2004. But that's what has happened; and because it has happened, the road of opportunity is now open for BiH in 2005. The task for 2005 is to take that opportunity – not waste it," Ashdown added. "That will require 3 things. First to press forward to complete the few remaining feasibility tasks without delay, and waste no more time in overcoming the present halts to the reform process, so opening the door to the next phase of BiH's journey to peace and prosperity. Second, to realise that passing legislation is pointless unless it is implemented. Implementation is the watchword for Governments in 2005. Thirdly, we have to overcome – once and for all – the road block of ICTY co-operation, which has laid across BiH's path to the future for far too long. I believe there is a new spirit to leave the past behind and complete this task in the RS. But a new spirit and hopeful words are not enough. Results have to be delivered. The greatest responsibility for this lies with the RS, as everyone knows. But everyone suffers if the RS fails. So although this is primarily for the RS, it is not only for the RS. The State institutions, SIPA and OSA have some role to play as well and I expect them to be active in playing it. And Belgrade, too. They should be helping the RS and BiH not hindering them, a point I shall be making to my international colleagues," concluded the High Representative.

<p>Ashdown stated that no one is trying to abolish RS</p>	<p>RTRS – HR Paddy Ashdown stated that no one is trying to abolish RS. He adds that RS has to fulfil international obligations and realise that it is not a state but a part of a state. Ashdown also stated that the reward for cooperation with ICTY is not a return to old RS but better life for an average citizen. HR says that whoever forms the new Government will have to cooperate with ICTY and no resignations or Government reorganisations will change that. (Not specified where HR made this statement)</p>
<p>BiH Presidency members meet with journalists</p>	<p>Oslobodjenje pg 2 ‘Paravac called on journalists to engage in resolving the crisis’, FENA – We are entering 2005 with a certain crisis in our hands, and this crisis did not appear suddenly or by accident, and I think that it is result of our disagreements, which have been present here for a while, according to BiH Presidency Chair Borislav Paravac. Paravac in Sarajevo on Thursday, together with Presidency members Sulejman Tihic and Dragan Covic, met with the directors, editors-in-chief, and accredited journalists covering the Presidency’s work. <i>“This is an opportunity and a challenge for journalists to engage in resolving this crisis, and an opportunity for your analysts to analyze the crisis and identify its causes so that we could overcome this together. I sincerely hope that we will succeed”</i>, Paravac said in his address to representatives of the media in BiH. The BiH Presidency Chair regarded 2004 as a reformatory year, considering that reforms have been implemented in the most important segments of the society. Paravac believed that defence reform was the most successful one, and that result of its successful implementation comes from understanding the reality in BiH: that it consists of two Entities and three constituent peoples.</p> <p>Dnevni Avaz pg 8 ‘Covic: Next is the year of BiH’s restructuring’ by <u>F. Cardzic</u>, FENA – The daily also carries statement by Paravac. It also quotes BiH Presidency member Dragan Covic as saying for his part that <i>“unfortunately”</i> the very end of 2004 was sending a message he had sent long ago: that the next year is the year in which it will be necessary to restructure BiH. <i>“The latest activities that have happened around certain ministers in the Council of Ministers, the RS Government and than the joint sessions of the Council of Ministers with the BiH Presidency indicate that the solution to the BiH constitutional order, in the sense of organization that will offer economic, social and political stability, is truly to become an issue in the next year and now it is the time for taking the starting negotiation positions”</i>, said Covic. However, he added that we could be very worried about the current situation in BiH due to the crisis in power, primarily in the RS. <i>“And this is not only about the RS authorities, because if it is so than it would be a relatively simple problem. However, this is a much more complicated issue,”</i> said Covic.</p> <p>Herceg Bosna Radio, Dnevni List, pg 7 ‘Into next year with crisis in authority’, by <u>D. Polovina-Mandic</u> also reported on the BiH Presidency members meeting with journalists carrying both Paravac and Covic’s statements. Glas Srpske pg 2 ‘A year of reforms’ by <u>N. Zelenovic</u> carried just Paravac’s statement.</p>

<p>VL interview: Dragan Covic on position of Croats in BiH</p>	<p>Vecernji List, pgs 8-9, mentioned on front 'There are plans to re-arrange BiH without Croats', by <u>Zoran Kresic</u> – Carries an interview with the Croat member of BiH Presidency, Dragan Covic, in which he talks about the current political situation in BiH. Asked to comment on the position of the Croats in BiH, Covic says he is worried about the position of the Croat people because the Croat political forces have been weakened in past four years by moves of the IC. <i>"It would take a lot of time to list the Croats who have been removed and whose rights have been abolished. Today, the process continues with the denunciation of the most senior officials, including me personally. It is a preparation for negotiations on the tenth anniversary of Dayton in order to weaken one side. The Serbs can protect their rights through the parliament of their entity. However, following the constitutional changes, the Croats in the FBiH have been completely dis-empowered"</i>. Questioned as to why the HDZ has kept silent and whether the party has done something about the <i>"solution to enigma in BiH"</i>, Covic says: <i>"I will be frank. HDZ does have the solution and we shall come out very soon, because there is no time to calculate. We are not going public because we have to get the consensus of other Croat parties, and because previous solutions resulted in rigorous measures"</i>. Questioned whether it means that the new solution will be in line with abolishing of the FBiH, Covic says: <i>"The Federation is one of the entities which does not guarantee constitutional-legal equality to the Croats, therefore it is an obstacle to our goal"</i>. Finally, Covic notes that some moves of the IC are leading towards removing of the Croats from the negotiating table.</p>
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<p>SDA leader Tihic says BiH constitutional system is main cause of crisis</p>	<p>Herceg Bosna Radio, Dnevni Avaz pg 3 'Tihic: BiH's European path cannot be stooped' by A. Malagic, Oslobođenje pg 2 'In 2004 the best results achieved' by S. Rozajac, 'Constitutions of the entities and the state not harmonized' by S. Rozajac, Dnevni List, pg 7 'Way out is not in early elections', by D. Polovina-Mandic, Vecernji List, pg 6 'Tihic in favour of constitutional changes', by h, FENA – The President of the Party of Democratic Action (SDA), Sulejman Tihic, stated that substantial results have been accomplished in this year, but noted that more could have been done in the sense of reforms and fulfilling the conditions for BiH's Euro-Atlantic integration. At the SDA New Year's press conference in Sarajevo on Thursday, Tihic said that the basic obstacle to further progress in establishing the functional State institutions are the obstructions that mainly come from the RS. Even the latest crisis is the consequence of RS' non-cooperation with the ICTY, and this is why BiH was not admitted into the Partnership for Peace for the second time, he added. According to Tihic, instead of removing the responsible persons, they are causing a crisis by resignations, blocking the work of the Council of Ministers, halting the launched and delaying new reforms. The SDA President said that the cause of this and all other past crises is the current constitutional system, which is dysfunctional, expensive and non-harmonized. "Such a constitutional system disables independent functioning of the State institutions without the High Representative. Only by amending the Constitution we can expect the restriction of his competencies and completion of mandate", said Tihic, adding that new elections are not the solution for resolving this and all other crises. He expressed hope that in 2005, on the occasion of the tenth anniversary of the Dayton Accords, BiH would manage to achieve the necessary political consensus for amending the Constitution, which should primarily be conducted by the domestic political forces. Tihic said he is not satisfied with the implementation of the adopted reformatory laws, because the institutions whose founding is envisioned by those laws are still not functioning properly. As Tihic announced, the next year will be the year of reforms, passing new laws and fulfilling the conditions on the European road, underlining the importance of reforming the security sector and accelerating defence system reform. <i>"The European road of BiH cannot be stopped. The parties and individuals who attempt this have no future"</i>, concluded the SDA President.</p>
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<p>Interviews with CoM Chair Terzic: 2004 in review</p>	<p>Dnevni Avaz pg 5 'We will start with the construction of the Vc corridor in 2006' by <u>Sead Numanovic</u> – An interview in daily with the Chair of the BiH CoM, Adnan Terzic, brings the review of the 2004. Terzic announces the first construction works in the Vc corridor project could start at the beginning of 2006 and that VAT will be implemented by the end of next year. On failures in 2004, Terzic says he was very disappointed that BiH did not join Partnership for Peace, adding that he is very frustrated about that: <i>"Of course, even though it is obvious that there is much more in the game that neither I nor CoM, nor the international community, can control... RS' failure to cooperate with the ICTY brought us to rejection... This problem is still there and whoever is on power in the next period must solve it."</i> Commenting on the priorities for the next year, Terzic says that the most important thing is for RS to establish the new government. On the change of Dayton agreement, Terzic says he objects it adding it is time for politicians to seat and discuss on constitutional changes: <i>"If we do not do that, international community will come and start imposing changes. And why would be let that to happen?"</i></p> <p>Oslobodjenje supplement 'Pogled', pgs 4-5 'Visa for BiH citizens will be abolished by autumn' by <u>Senka Kurtovic</u> – In an interview to Oslobodjenje, Terzic expresses the concern on the current situation in RS, adding that its solving can be prolonged which could lead to slow down of reforms, postponing the negotiations on Stabilization and Accession Agreement and entering PfP in April. He also says: <i>"I assure you that BiH will get to the list of countries that do not need visas by autumn. I am heading htat process and I am certain that EU Council of Ministers will propose placing BiH to so-called 'white list' of countries whose citizens do not require visas</i></p>
<p>RS President Cavic New Year's message</p>	<p>RTRS – RS President Dragan Cavic delivered his traditional New Year's message to RS citizens. RTRS brings a quote from his speech. <i>"Decisions of HR and messages from International Community are stating that criteria are becoming sharper, demands are increasing and impression is made that the world's patience is slipping away. Many of you think, warned with everything that was happening in this year, that instead of democracy this country is experiencing tyranny. Many say that they believe that in this country tyranny of International community exists through its empowered HR and they are asking that it should be replaced with democracy. Democracy means rights and obligations of a man and a collective in the frame of determined rules without exception. So, democracy in a way is a tyranny but not of a man but of rules. Rules, local or international, are an obligation for us. In order to be seriously understood as a partner who has a right to future we have to show that we are able to make all the rules by ourselves and to implement them completely without prejudice. The world expects that from us. And when they realise that we have fulfilled that kind of expectation, there will be no HR in this country",</i> says Cavic.</p> <p>Glas Srpske cover page story 'Unity is a key to survival'; Nezavisne Novine pg 2 'RS is a key for survival of BiH' by <u>N.N.</u> also carried the message.</p>

<p>RTRS: Parties in RS still cannot agree on PM designate</p>	<p>RTRS – Parties in RS still can't agree on PM designate. RTRS reporter comments that the story on joint Serb parties remained on paper only since there is no agreement in the reality. DNS hasn't showed/achieved any concrete results today. Mirko Banjac DNS Vice President invited all those who signed the agreement on joint political acting to meet as soon as possible in order to determine whether the agreement still stands. RTRS reporter comments that it seems that DNS will withdraw from the run for the PM designate and adds that the options will go back to the ones proposed by SDS and SNSD. Coordination board of 11 NGO's has issued an ultimatum. Borislav Dukic Chairman of the board says that they will block main offices of SDS and SNSD if they don't agree on designated PM as soon as possible. RTRS reporter concludes that the situation might be resolved in the New Year and until then all options are open.</p>
<p>RS/Serbian press: Update to talks on RS PM-designate</p>	<p>Nezavisne Novine pg 4 'PDP supports the agreement between SNSD and SDS' by <u>V.P.</u> – PDP press release issued on Thursday reads that PDP is of the view the best solution for RS would be if two strongest political parties in RS, SDS and SNSD, reached agreement regarding composition of the new RS government. The release further notes that judging by the so far developments on this issue and having observed that chances for this option are decreasing, PDP would consider and support some other options which it finds appropriate and the best for RS under given circumstances. Igor Radojicic, SNSD Secretary General, says: <i>"Dragan Cavic, RS President, has presented a new proposition to entrust the mandate to a third person and this unserious race on designate has commenced after that, during which some MP's were collecting signatures. We have an impression that some agreement bypassing SDS are being created now."</i></p> <p>Marko Pavic, DNS President, on Thursday stated that he personally was not amongst potential candidates for designate, adding that <i>"DNS has candidates who could meet requirements for this position and if talks ended well, we would give the name of designate."</i></p> <p>Mirko Banjac, DNS Vice President, called on signatories of the Agreement on principles of political actions, including SNSD, to state whether they give up on accepted principles.</p> <p>Darko Jotanovic, DPS MP, said that he would support the candidate of the three biggest political parties – SNSD, SDS and PDP.</p> <p>EuroBlic RSpg 1 'All the cards on table' by <u>Rajna Radosavljevic</u> – It carries PDP press release and statement of DNS and Nedjo Djuric of Wednesday evening.</p> <p>Glas Srpske pg 5 'Resumption in January' by <u>N. Dikllic</u> – GS has learnt at the Cabinet of RS President that RS President, Dragan Cavic, would nominate RS PM-designate by 8th January.</p> <p>Milorad Dodik, SNSD President, has stated that there is no space for SDS members at new Government, since SDS and its members do not enjoy the support of the international community.</p> <p>Petar Djokic, SP RS President, is of the view that President Cavic should hold further meetings with political officials, in order to identify the best solution possible, adding that such would be if two biggest political parties – SDS and SNSD – would take the responsibility for the future of RS.</p> <p>Milanko Mihajlica, President of Serb Radical Party, said that the election of designate was no of major importance, as the parliament support to Government was.</p> <p>GS also carries statements of PDP and Mirko Banjac.</p>

<p>NN op-ed on games re RS PM designate nomination</p>	<p>Nezavisne Novine op-ed pg 7 'Designation' by <u>Dragan Risojevic</u> – The author is critical of the ongoing political games regarding the nomination of RS-PM designate, stressing: <i>"A man can be disappointed in advance, irregardless whom s/he would prefer to see as designate. Judging by so far activities, RS citizens have reasons for fear for their destiny when they see that people, who should be leading it, are playing with the process of nominating PM-designate – the most responsible position in this entity."</i> He refers to this game as tragic comedy.</p>
<p>Public opinion poll: 74% of interviewees believe BiH is heading towards wrong direction</p>	<p>Vecernji List, pg 6 'Citizens believe BiH is heading towards wrong direction', by <u>Milan Sutalo</u> – According to results of an opinion poll that was carried out in November 2004 by 'Puls Agency' of Sarajevo, 74% of interviewees (NB: VL does not state how many exactly) believe that BiH is heading towards wrong direction, whilst 78% of them believe that the economic situation in country is bad. As many as 73% also believe that the current authorities cannot handle the economic problems of BiH. When it comes to joining NATO, 68% of interviewees in the FBiH support BiH efforts to join NATO, whilst 70% of interviewees in the RS are against BiH joining the alliance. On a similar note, the High Representative for BiH enjoys the support of 57% of interviewees in the FBiH, whilst 88% of interviewees in the RS do not support the HR's decisions.</p>
<p>DL, VL op-eds about 2004-12-31</p>	<p>Dnevni List, pg 2 'Happy New Year', by <u>Jurislav Petrovic</u> – Carries an op-ed in which the author comments the year behind us, noting that BiH has had to go through many bleak moments in the past 365 days. The author argues that BiH, no matter how much politicians tried to present things, has not got closer to Euro-Atlantic integration, the living standards in BiH has not improved, BiH failed to join the Partnership for Peace programme on two occasions and the High Representative for BiH too often took most important decisions. Finally, the author hopes that during 2005, politicians will take more risk and assume responsibility for they are paid to do.</p> <p>Vecernji List, pg 6 'Happy New Year, Bosnia and Herzegovina', by <u>Igor Zovko</u> – Carries an op-ed in which the author notes that 2004 was another difficult year for the citizenry in BiH, especially the pensioners and those who still cannot return to their pre-war homes. However, the author reckons that 2004 was better than previous years, which gives some hope, especially to the youth. Finally, the author argues that what BiH needs the most is patience and especially the tolerance.</p>
<p>PRC Chair Martens delivers report to HR today</p>	<p>Oslobodjenje pg 3 'Martens delivers report today' by <u>A.P.</u> – The Chair of the Police Reform Commission [PRC], Wilfred Martens, will deliver the final proposal of the future police structure in BiH today [Friday] to the High Representative, Paddy Ashdown. OHR spokesperson, Oleg Milisic, stated for daily that Martens will respect the deadline given to the PRC to deliver the report by the end of the year. <i>"The final solution will be officially presented to the Chair of the BiH Council of Ministers, Adnan Terzic, next month"</i> said Milisic.</p>

<p>DL: Interview with Croatian President Mesic</p>	<p>Dnevni List, front pg splash and pg 3 'Croats will always have support from Croatia', by <u>Ivica Glibusic</u> – Carries an interview with the Croatian President, Stipe Mesic, in which he mostly talks about Croatia-related issues. However, when asked to comment on the position of the Croats in BiH, President Mesic noted that the position of the Croats in BiH was most critical in the Republika Srpska because of poor return figures. When it comes to return to pre-war homes, President Mesic stated it was the issue that the three countries had to resolve together (Croatia, BiH and Serbia and Montenegro. Moreover, President Mesic says the Croats in BiH can improve their status by getting more engaged in social and political life in BiH, by participating in the authorities of BiH, and in the same time, President Mesic pledges the Croatian support to cultural, scientific and other project (of Croats in BiH).</p>
<p>Belgrade's Vecernje Novosti interview with Serbian PM Kostunica</p>	<p>Vecernje Novosti cover and pgs 2-3 'A turning year for Serbia' by <u>Dubravka Vujanovic</u> – In a two-page interview to <i>Vecernje Novosti</i>, Vojislav Kostunica, Serbian Premier, speaks about cooperation with the ICTY, survival of Kosovo, Gvoenrment, possible elections, survival of community and defence of RS.</p> <p>On RS, he says that it should have a clear status according to the Dayton Agreement, since it is more of federal unity, noting that Serbia cannot bear responsibility for the fact that some war crime indictees from RS are not in The Hague.</p> <p>He denies claims that Miloard Dodik has handed Serbian Government the list with addresses of war crime suspects in Serbia, adding that all the addresses and information related to this issue were delivered to Serbian authorities by the RS MOI.</p> <p>He stresses that the Belgrade reaction following latest measures of HR was prompt and adequate, and all the state officials made it clear those measures were undemocratic. He expects impression there is not much left for HR to do now, since the latest measures have infected the institutions the international community supports – BiH Presidency, BiH CoM.</p> <p>He sees no reasoning in pushing for centralisation in BiH, since decentralisation idea is pushed in SiCG.</p>

Economic/social issues

**New way of
paying of
indirect
taxes as of
January**

BHT, Dnevni List, pg 5 'Collection of taxes in single account as of January 1', by NINA, Slobodna Dalmacija, pg 24 'Single account for all', by A. Macanovic, Nezavisne Novine cover and pg 3 'All taxes at one cash register as of 1st January' by P. Klincov; Glas Srpske pg 3 'Incomes at one cash register' by D.V.M. – Different way of paying a part of indirect taxes will be introduced as of January 1, 2005, by which certain taxes, instead of the accounts of the Entity budgets, will be paid in on a single account. Collected revenue will be used for settling all international financial commitments of BiH and the obligations of financing the BiH institutions, and the rest of it will be shared between entities and Brcko District. *"For example, 30, 5 percent will go to RS, 65, 7 percent to FBiH and 3, 8 percent to Brcko District,"* said Indirect Taxation Administration (ITA) Director, Kemal Causevic. The Assistant Director of the ITA Tax Sector, Dinko Corluka, said that the new Law on Sales Tax in BiH, which was adopted on Wednesday by the BiH Parliamentary Assembly, will simplify many tax procedures that were parallel until now and preconditions will be created for functioning of single economic space. The Law on Excises has only changed the excise rate for tobacco and its products, which has been increased from 35 to 49 percent.

Customs officers, dismissed for the BiH Customs Administration, gathered on Thursday in a front of the building of ITA. They believe that ITA's rulebook on selection of employees is illegal. Causevic said that he believes that most of these complaints have no ground, but he doesn't deny possibility that mistakes could happen. He added that is impossible to know this before internal revision of all appointments is done.

RTRS also reported on the protest.

<p>Halilovic and Wnendt discuss financing, status of state cultural institutions</p>	<p>BHT, Dnevni List, pg 6 'Confirm status of cultural institutions in law', by <u>NINA</u> – BiH Minister of Civil Affairs Safet Halilovic and the Senior Deputy High Representative, Werner Wnendt, concluded that it is necessary to confirm legally the status of the seven State cultural institutions. This would solve issue of financing of those institutions. It is necessary to allocate over four million KM for functioning of all seven cultural institutions, and the BiH Budget for 2005 envisions one million KM for the purpose.</p>
<p>FBiH HoP adopts budget for 2005</p>	<p>FTV, Oslobođenje pg 8 '2005 budget adopted', Dnevni Avaz pg 12 '2005 budget amounts up to KM 1.011 billion', Dnevni List, pg 4 'House of Peoples adopts Federation budget', by <u>NINA</u>, FENA – The Federation of BiH House of Peoples adopted on Thursday the FBiH budget for 2005 in the amount of KM 1.011 billion. Following the day-long debate in the House of Peoples, the budget was adopted with 40 "yes" votes, two votes "against" and three abstentions.</p>

<p>SD: World Bank wants F BiH Govt to halt review of privatisation</p>	<p>Slobodna Dalmacija, front splash 'World bank to Government: Do not touch successful companies!', and pg 23 'Do not touch successful ones!', by <u>Zlatko Tulic</u> – Notes that the Head of the World Bank's Office in BiH, Dirk Reinermann, sent the F BiH Prime Minister, Ahmet Hadzipasic, a letter in early December 2004 in which he proposes to PM Hadzipasic to reconsider adoption and sending to parliament of any of laws before there is a draft action plan in place and before the way how to proceed with corporative restructuring has been finalized. According to SD, Reinermann noted this especially referred to amendments to the law on privatization. SD goes on to say that the World Bank recommended not to go ahead with revision of successful companies, especially the ones that fill the budget, instead the World Bank recommends invitation of tenders for privatization of companies such as 'Hepok', 'Mostar Tobacco Factory', 'Hidrogradnja', 'Krivaja', 'KTK Visoko', 'Energoinvest' and 'Wire Factory' of Sarajevo. SD goes on to say that the F BiH Government has so far failed to respond to the letter, simply because all the aforementioned companies are being controlled by the Bosniaks, or to be more precise the companies' steering boards are being run by people from the SDA and SBiH.</p>
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Crime/legal proceedings/judiciary

<p>EUFOR commander Leakey stated Karadzic, Mladic not hiding in BiH</p>	<p>RTRS, Dnevni List, pg 4 'Karadzic and Mladic are not in BiH, however Gotovina often is', <u>not signed</u>, Nezavisne Novine pg 3 'Karadzic and Mladic occasionally in BiH' by <u>Reuters</u> – EUFOR commander David Leakey stated that Radovan Karadzic and Ratko Mladic are not hiding in BIH. He said that the two only occasionally come to RS but mostly live outside of that territory and therefore are hard to catch. Leakey stated that Ante Gotovina spends most of his time in West Bosnia (Herzegovina) where he has a lot of supporters.</p>
<p>BiH Presidency member Covic questioned at BiH Prosecutor's Office on Lijanovic case</p>	<p>FTV, Dnevni Avaz pg 11 'Justice Matson interrogated Dragan Covic for fours hours', mentioned on cover 'Covic interrogated for 4 hours' by <u>H. Orahovac</u>, Oslobodjenje pg 3 'Dragan Covic gave statement in his defence' by <u>Az. K.</u>, Dnevni List, pg 4, mentioned on front 'Covic will dodge responsibility for customs frauds!?', by <u>N. Bise, N. Dedic</u>, Slobodna Dalmacija, pg 9, mentioned on front 'Prosecutor was interviewing Covic whole morning', by <u>Zlatko Tulic</u>, Nezavisne Novine pg 2 'Covic: I will unmask the criminal organisation' by <u>A. Durmo</u>, SRNA – BiH Presidency member Dragan Covic was on Thursday questioned at BiH Prosecutor's Office in connection with the investigation into customs embezzlement committed by the Lijanovici company. <i>"I got the impression that after the questioning prosecutor Matt Matson realized that Covic had nothing to do with this case,"</i> Covic's lawyer Josip Muselimovic told SRNA. Covic is suspected in this investigation of having abused his office while at the post of Federation of BiH finance minister.</p>

**EC donates
11.7 million
euro to BiH
State Court,
HJPC**

Dnevni Avaz pg 8 '11,7 million Euros for independency of BiH judiciary', **Oslobodjenje** pg 5 '11,7 million Euros donation to the BiH Court and HJPC', **Dnevni List**, pg 7 '23 millions KMs for development of independent judiciary', by D. Kozina, **Vecernji List**, pg 8 'EC donates Court of BiH 11,7 million Euros', by ra, **ONASA** – The European Commission will help development of the independent judiciary in BiH by providing 11.7 million euro for the State judiciary. The EC has signed agreements to provide support to the War Crimes Registry at the BiH State Court and the High Judicial and Prosecutorial Council, the EC said in a press release. The agreement with the War Crimes Registry, worth 3,500,000 euro, will facilitate the general operation of the Registry in 2005 and 2006, by covering almost 50% of the operational costs.

This significant assistance is part of the commitment of the EC to assisting the BiH State Court in building the capacity to deal with cases concerning war crimes and other cases of major importance. The grant assistance with the High Judiciary and Prosecution Council, worth 2,500,000 euro, includes major support to the Judicial and Prosecutorial Training Centers. This support will help the centers become better equipped and provide focused training, both in substantive legal areas and also in the use of information technology. The

activities financed at the HJPC include an ambitious information technology development project, strengthening support to prosecutors' offices, and also further support to the ongoing reform of the Minor Offense Court system in BiH.

The EC has also provided over 2,200,000 euro towards the construction of a secure courtroom and premises for the State Court and the HJPC. In addition, various other donations of the EC, worth over 3,500,000 euro, is providing state of the art information technology and audio recording equipment to the judiciary in BiH, according to the release.