OHR BiH Media Round-up, 31/12/2005

RADIO HERCEG-BOSNA (18,00 hrs)	**TV PINK** (18,00 hrs)	**BHT 1** (19,00 hrs)
Electricity price stays same	Terzic- Amendments to Law on VAT	No financ. support for ICTY indictees
BIH lawsuit against SCG	Cenic opposes amendments on VAT	Detention for Konjic war crime susp.
No help to ICTY indictees from RS	IMF warning regarding Budgets	RS Gov: PDP accept budget or resign
HR changes law on police officials	Hadzipasic on VAT and future	Terzic, Biber on budgets adoption
NTV Hayat (19,00 hrs)	**FTV** (19,30 hrs)	**RTRS** (19,30 hrs)
RS Gov. suspends decision on aid	'Sipad' finance fraud under investg.	No help to ICTY indictees from RS
Hajjis still haven't left	BiH Trade Union predicts 2006	Re: decision on temporary financing
Holidays without Budget	Cenic against VAT exception for print	IMF on stand-bye arrangement
BiH Union on VAT and passing year	Terzic on VAT exception for print	Cenic on VAT exemption

Oslobodjenje	Hague will not halt BIH proceeding against SCG
Dnevni Avaz	Biber: VAT is to be difficult for workers
Dnevni List	HDZ getting ready to take over Energy Ministry
Vecernji List	DNA of Katrina hurricane's victims arriving to BiH

Nezavisne Novine	Happy New Year 2006
Glas Srpske	Girl killed [traffic accident]

	VAT introduction/ economic issues
Terzic demands urgent HoR session to exempt publishers/print from VAT	**PINK, BHT 1, RTRS, FTV, Hayat, Dnevni Avaz** pg 9 'CoM demands urgent on changes to the law' – Chairman of BiH Council of Ministers, **Adnan Terzic** demanded urgent session of BiH House of Representatives to discuss the exemption of the printing sector from VAT. Amendments to Law on VAT would exempt books, brochures, booklets, magazines, publications of cultural, educational and expert character, gazettes and daily and weekly press.

Cenic 'stunned and surprised' ITA approved exemption for print without her consent	**FTV, RTRS, BHT1, PINK, Dnevni Avaz** pg 9 'You did not have my approval to change VAT law', **Glas Srpske** pg 6 'I am stunned', **Nezavisne novine** pg 6 'Cenic against exemption of publishers' – Representatives of the RS in the Steering Board of the Indirect Tax Authority, Minister of Finance **Svetlana Cenic** and Assistant Minister **Miodrag Kudic** protested against the attempt to exempt publishing sector and press from VAT without consent of the ITA Steering Board. Cenic sent a letter of protest to the ITA Steering Board Chair, **Jolly Dixon**, Head of EC Delegation in BiH **Michael Humphreys**, PDHR **Larry Butler**, IMF resident representative **John Norregaard** and BiH CoM Chair **Adnan Terzic**. She argued that in the conditions when the Entity budgets are not adopted and when decisions on provisional financing will be implemented, any amendment of the Law on VAT, especially of this nature, could cause further increasing of social tensions in BiH. In her letter, Cenic said she was "*stunned and surprised*" by Dixon's letter to Terzic on December 28 this year, by which the Law amending the Law on VAT was forwarded to procedure with "*absolutely incorrect information that the proposed amendments have my consent*". "*Given that you did not contact me in the meantime, I did not know on what grounds without my written consent you could have said that I agreed with the amendments of the Law on VAT*", said among other things Svetlana Cenic. **Hayat** – Hayat comments that if Cenic's letter is to be considered, along with the fact that BiH HoR will meet only at January 16th, one can conclude that amendments to the VAT Law will not occur. **Glas Srpske** pg 6 'Dixon thinks for everybody', mentioned on cover, by D. Vrhovac – GS says that the decision is most probably "*another in a series of autocratic decisions made by Dixon*."

Terzic: This is just Cenic's reaction to non-adoption of RS budget	**Dnevni Avaz** pg 9 'Terzic: that is just reaction on non-adoption of RS budget' – CoM Chair, **Adnan Terzic**, comments to **Svetlana Cenic**'s letter stating that she "clearly and precisely" said she would support the decision forwarded by FBiH Minister **Dragan Vrankic** whereas should not send written answer. Therefore, said Terzic, this is just her reaction on non-adoption of the RS budget.
BiH Trade Unions say there should be more VAT rates	**Hayat, FTV, BHT1, PINK**, **Dnevni Avaz** cover splash, pg 2 'Biber: VAT is hard strike for workers', **Oslobodjenje** pg 9 'Number of unemployed is worrying', **Dnevni list** pg 3 'Biber: Hard year before us' – Association of BiH Independent Trade Unions deems that the failure of entities to adopt the budgets would bring VAT implementation under question. Furthermore, as Chairman **Edhem Biber** emphasised, this would disable implementation of social programs. Association expressed fear that BiH doesn't have mechanisms for preventing of increases of prices, stressing that BiH needs at least two VAT rates.
DL: Exemption from VAT will not mean much for publishers	**Dnevni list** pg 6 'Tax on production material will burden all publishers' by Erna Mackic – DL reads that the exemption from the VAT for the publishing/print sector will not mean much as the production material would still be taxed by 17%. Director of Glas Srpske, **Boro Luburic**, said that the difference would be made only if the sector was under the zero rate, while in current situation the importers of paper have already announced the price increases which would mean increase of printing services.

IMF on budget proposals: proposed contingency reserve some 450 million KM higher than recommended	**PINK, Hayat, RTRS, Oslobodjenje** pg 2 'Expenditures exceeded limit for 450 million KM', **Nezavisne novine** pg 2 'Engagement in BiH brought into question' – Commenting the proposal of budgets for 2006 for both the entities and at the state level, the International Monetary Fund stated the projections of revenues are appropriate considering the adopted tax policies however the proposed levels of spending in the combined budgets of the governments are above the recommendations of the IMF. IMF recommended that a contingency reserve be included in the budgets for the event of uncertainty in the collection of revenues in 2006, but the budgets do not contain this reserve. *"The proposed consolidated spending in the budgets for 2006, including the proposed contingency reserve are some 450 million KM higher than what was recommended by us,"* IMF stated on Friday. As a result of that the fiscal balance of budgets is weaker than what is necessary, considering the deficit in the foreign current account and the pace of growth of banking credits to the private sector. *"Therefore, the proposed budgets will not serve as a basis for the program with the IMF,"* the organization stated. IMF reminded that talks on the stand-by arrangement could continue if the National Fiscal Council prepares new proposals concerning budgets for 2006, which will be in accordance with IMF recommendations.

Hadzipasic: Several months after VAT introduction, it will be clear that tax is to improve citizens lives	**PINK** by Zeljko Mandic– FBiH Prime Minister **Ahmet Hadzipasic** deems that the living standard for citizen will improve after first several months following the VAT introduction, allowing time for the tax to be regulated and financial discipline in BiH to be improved. Summarising last year, Hadzipasic said that it was successful, being that FBiH has noted about Km1 billion of foreign investments. *"But that is not even close to the sum that enables increase of employment,"* said Hadzipasic. *"After [VAT introduction] it is certain that relations will be more regulated, that financial discipline will have more quality and strength, which means improvement of citizens lives,"* said the Prime Minister. Speaking about FBiH Government's plans in next year, Hadzipasic said that priorities would be to fulfil what it promised trough the budget.
FERC not to increase electricity price until April	**Hayat** by RTV Mostar– Federal Electricity Regulatory Commission (FERC) concluded that prices of electricity will not change, at least not until April. Member of FERC **Dzulzara Hadzimustafic** stated that main reason for this is failure of BiH Regulatory Commission to pass decision on temporary tariff for services of transfer and supportive services. Hadzimustafic stressed that prices will have to change till April 1st, being that spending in FBiH is increasing constantly and that FBiH lacks electricity resources. BiH Commission couldn't pass the decision on new tariffs after the company for transfer of electricity to the state level wasn't established. **FTV, RHB, PINK, Oslobodjenje** pg 3 'Existing prices until 1 April', mentioned on cover, **Vecernji list** pg 2 'FERK: Electricity price not to be increased', – also covered.

Brod Refinery approves RS Govt's plan to negotiation with Isreali Alon group	**PINK, BHT1, Hayat, RTRS**, **Oslobodjenje** pg 6 'RS Govt's got deadline until 5 January', 'Israeli Alon group is acceptable partner', **Glas Srpske** pg 3 'Israeli Alon in the game' – The Monitoring Board of the Bosanski Brod Oil Refinery has given consent to the RS Government for continuation of negotiations with "Alon" Israel oil company LTD for establishing a joint company. The Board also requested from the Government to include the representatives of Refinery's management and syndicate in the continuation of negotiations. Additionally, the Government and the Ministry of Economy, Energy and Development have been requested to engage immediately on resolving the very complex situation in this company and to ensure the funds for paying 200-KM to every worker by the end of this year or by January 5 2006 the latest. It was stressed that if the Government does not ensure the required funds, the Monitoring Board and management of the Refinery will have no other choice but to resign.

	War crimes/ police

RS Govt suspends decision on financing ICTY indictees	**BHT1, PINK, RHB, Hayat, FTV, RTRS, Oslobodjenje** pg 3 'Assistance to ICTY indictees suspended', mentioned on cover, **Dnevni Avaz** pg 2 'RS Government suspends decision on assistance to ICTY indictees', **Glas Srpske** 3 'No assistance to indictees', **Nezavisne novine** pg 3 'Assistance to all ICTY indictees decreased' – The RS Government on Friday took out of effect the decision on financial assistance to ICTY indictees from RS and their families, which equalized the rights of both those who surrendered voluntarily and those apprehended. The Head of the Government's Public Relations Bureau, **Cvijeta Kovacevic**, told a press conference that the Decision was taken out of effect due a series of reactions from non-governmental and other organizations and institutions.
Ivanic asks from IJC to temporarily halt proceeding vs SCG; Softic: ICJ will not do so	**Oslobodjenje** cover splash, pgs 4-5 'Hague will not halt BiH's lawsuit against SCG' by Az. Kalamujic – Team of lawyers presenting BiH in the lawsuit against the SCG for aggression expressed a believe the International Court of Justice in the Hague would not approve requests of **Borislav Paravac** and **Mladen Ivanic** to temporarily halt the proceeding. BiH agent in the case, **Sakib Softic**, expressed firm believe that the request has no legal grounds. **RTRS** – also brings Ivanic filed the request to IJC. Ivanic stressed in the request that decision of BIH Constitutional Court is awaited on the appeal by BIH Presidency member **Borislav Paravac** to declare the lawsuit unconstitutional.

SDHR Ney says he would not give up on Palic case	**Oslobodjenje** pg 3 'I will not give up on asking an answer from RS' by E. Kamenica – Daily brings that SDHR **Martin Ney** has contacted **Esma Palic**, a wife of Zepa war commander taken away from the UN HQ by the RS Army still regarded as missing. Palic has recently criticized OHR for asking, instead of demanding, the RS authorities to inform Palic of her husband's faith. She said that Ney promised not to give up on the case.
HR Ashdown amends law on police officials	**RHB, BHT1, Hayat, FTV, RTRS, Oslobodjenje** pg 3 'Ranks', **Dnevni Avaz** pg 2 'Ashdown enabled giving ranks to SIPA and SBS', **Vecernji list** pg 3 'Bakers will not get police ranks', **Dnevni list** pg 2 'Law on police officers amended', **Nezavisne novine** pg 4 'New criteria for police ranks' – Following the request sent by Chair of the BiH CoM **Adnan Terzic**, the High Representative **Paddy Ashdown** issued the Decision on amending the Law on Police Officials BiH, the OHR announced on Friday. This amendment would ensure that police experience, and not the general working experience, represents the relevant criteria for handing ranks to police officials. OHR stated that in issuing this amendment, the BiH Ministry of Security must adopt a bylaw on repeated promotion of ranks that is in line with the Law on Police Officials, with full respect to this amendment. This decision will allow the State Border Service and SIPA to launch the late process of repeated handing of ranks, was announced.

EUPM Commissioner Carty: Corruption in BiH is not as bad as some want to present it	**BHT1, RTRS** – At the farewell meeting with journalists in Sarajevo, EUPM Commissioner **Kevin Carty** said that next nine months will be crucial for the process of police restructuring in BiH, adding that the Police Restructuring Directorate is expected to work efficiently. He stressed that BiH currently has many different police forces and that this diversity often burdens their activities and programme implementation. Nevertheless, Carty regarded as successful the cooperation with police in BiH during his mandate, noting that a great deal of work has been done. When asked about police corruption, Carty stressed the situation in this field is not as bad as some wish to present it. He added that there were examples of petty corruption, which is unacceptable, but when police are so underpaid as the case is in BiH, there is always a risk of petty corruption. *"Different people wish to present BiH as a synonym for organized crime, which is not right. BiH has problems, but not too many problems in comparison to the other countries of the region,"* deems Commissioner Carty who will be replaced by **Vincenzo Coppola**. **Dnevni list** pg 4 'RS must keep its promise on police reform' – Carty disagreed with those claiming that the police reform was unsuccessful adding that the process is in its mid-way. He added it is important for the RS politicians to keep the promises given in the course of reform implementation. **Oslobodjenje** pg 6 'Police is not corrupted as much as some want to show', mentioned on cover, **Dnevni Avaz** pg 3 'BiH is not a synonym for organized crime', mentioned on cover, **Glas Srpske** 'Without reform – failure' – also reported.

	Other political issues
Bukejlovic meets PDP officials in Govt; PDP says 'political purge' commenced	**RTRS** by Nada Arlov – RTRS brings reactions to decision on temporary financing reached by RS Government. Chair of BIH House of Representatives **Nikola Spiric** stated that decisions one temporary financing reached by both RS and FBIH parliaments are the worst thing that could have happened in BIH. He added that due to these decisions early elections at all levels in BIH should be announced. "*This country is in the jaws of criminals and authorities are behind them*", says Spiric. He concluded that SNSD would launch every initiative that would lead to solving of the crisis. Reporter comments that as far as RS is concerned PDP is being marked as the chief guilty party in this issue. RS Prime Minister **Pero Bukejlovic** on Friday held talks with PDP representatives in Government, who directly participated in preparation of the RS budget and economic policy for 2006. Chief of RS Government's public relation office **Cvjeta Kovacevic** stated that only informative conversations with PDP members in the Government have been carried out. According to Kovacevic these members of PDP felt that the budget should have been adopted. On the other side, **Igor Crnadak** from PDP stated that Bukejlovic is already working towards "dismissing" certain PDP members from the RS Government. **BHT 1** Zoran Sarenac – According to BHT1, Bukejlovic conditioned these PDP officials to either support the proposed budget for 2006 or resign from the Government. PDP called it a political purge. SNDS's **Nikola Spiric** congratulated PDP for finally going to opposition. **RTRS** – **Predrag Kovacevic** from DSS feels that PDP could be responsible for chaos in RS and BIH. **Slobodan Popovic** from SDP BIH is not surprised with Bukejlovic's talks with PDP members. Political analyst **Ostoja Barasanin** feels that the budget 2006 wouldn't have gotten the necessary majority in RS National Assembly if it came to voting. **Marko Pavic** from DNS stated that DNS is ready to talk about the new Government. **Milan Lazic** from SRS Vojislav Seselj feels that RS President **Dragan Cavic** should dismiss Bukejlovic. Reporter concludes that it remains to be seen what will happen after New Year holidays. **FTV** also broadcast RTRS' report. **Nezavisne novine** pg 2 'Solution: Early elections' – Spiric on crisis.

Ivanic: It is up to Dodik to make a move now	**Glas Srpske** pg 5 'Waiting for Dodik' – PDP leader **Mladen Ivanic** stated in an interview to SRNA news agency that the most important even in 2005 was opening of SAA talks. He also points out to 10th anniversary of DPA and his party's transition to the opposition party. Furthermore, he criticized the current authorities, especially PM **Pero Bukejlovic**, and concluded that it is up to **Milorad Dodik** to make a move now. **Dnevni Avaz** pg 10 'Buklejlovic announced the period of political terror' – Ivanic on Bukejlovic. **Nezavisne novine** pg 2 'RS Govt launched revenge against PDP' – carries Crnjak.
Grahovac: budget will not be adopted until Heco appotined, claims HDZ wants to take over Energy Minister position	**Dnevni list** cover splash, pg 2 'HDZ getting ready to take over Energy Ministry' by Mensud Zorlak – SBiH official, **Gavrilo Grahovac**, openly accuses HDZ of trying to snitch the position of the FBiH Minister of Energy, Industry and Mining from SBiH. Grahovac reminded that following **Izet Zigic**'s departure from the position, SBiH has nominated candidate **Vahid Heco** adding that FBIH President **Niko Lazancic** [HDZ] has been delaying with the procedure. Thus, SBiH believes that HDZ is getting ready to take over the Ministry, after it has lost the FBiH Defence Ministry. Grahovac adds that the SBiH will not support the proposed budget for 2006 as long as this issue remains unsolved. **Oslobodjenje** pg 8 'HDZ to respond after holidays' by A. Omeragic – HDZ says that they have never discussed the position of the Energy Ministry, but that they count of **Miroslav Nikolic** to remain as the Minister without portfolio. Party's spokesperson, **Miso Relota**, says that the procedure on appointing new Energy Ministry should be completed after holidays.
VL: Without 2006 state budget adopted, who is to finance BiH Armed forces?	**Vecernji list** pgs 2-3 'Soldiers without salaries' by Zoran Kresic – VL article reads that BiH Armed Forces will be in the legal and financial vacuum as of 1 January as the state budget for 2006 has not been adopted, whereas entities Ministries of Defence and Armed Forces are to be abolished. Alike other state institutions, the BiH Defence Ministry will be financed under temporary regime, which is being calculated on grounds of first three months of previous year in which soldiers were not included as there were paid by the entity MoDs.

Media criticise both ruling parties/opposition for budgets non-adoptions	**Dnevni Avaz** pg 3 'Who really needs budget?' op-ed by Mirela Kukan – Editorial says that non-adoption of the entities budgets showed who political interests were more important than the citizens of BiH. "Behavior of entities parliamentarians and the Governments is, to say at least, shameful. Very critical of both the authorities and those who opposed the budgets, author concludes that the most important are personal interests. **Hayat** by Nebojsa Radulovic– Decision on temporary financing will affect all categories of population and mostly those whose lives are most difficult.
Ashdown: Future is in your hands	**RHB, BHT1, Oslobodjenje** pg 7 'BiH Future is in your hands', **Vecernji list** pg 3 'Future of BiH is in your hands', **Dnevni list** pg 9 'BiH's future is in EU and NATO', **Glas Srpske** pg 3 'BiH future in your hands' – HR **Paddy Ashdown** stated in his New Year message that 2005 was a key year for BIH. He reminded that the path for negotiations with the EU has been opened in 2005. He also stated that BIH has a future within EU and NATO. HR stressed that citizens of BIH will play a key role in elections in 2006.
Talks on const. changes to continue on Wednesday	**RHB, Vecernji list** pg 2 'Continuation of talks on 3 and 4 December', **Oslobodjenje** pg 3 – US Embassy in BiH reminded that the talks between the leaders of BiH political parties on constitutional reform will resume in Sarajevo on January 3 and 4 2006.
Silajdzic: One president and PM, one house and strong parliament	**Dnevni Avaz** pg 5 'I am used to being lonely', mentioned on cover, by Edina Sarac – In a page long interview to DA, the founder of SBiH, **Haris Silajdzic**, refused to comment on possibility of his return to the politics, however he commented to the current events in the country. Talking on the constitutional changes, he said that the proposal by the US Institute for Peace was not something this country needs as it excludes citizens and the parliaments. He supports SBiH proposal of one President and Prime Minister, and strong and single-House Parliament.

SAA negotiation teams to be completed next week; NN: Rizvo suspect of illegal citizenships, Bisic was replaced from Prosecution	**Dnevni Avaz** pg 9 'Teams will be completed in the first week of January' by T.L. – Director of the Directorate for European Integrations, **Osman Topcagic**, told DA that the newly appointed heads of the working groups participating in the SAA negotiations have seven days to complete their groups by proposing their representatives to the Chief negotiator, **Igor Davidovic**. Topcagic adds that the Directorate and BiH mission to Brussels have already nominated their staff members. The negotiations are to start on 25 January in Sarajevo. **Nezavisne novine** pg 3 'Samir Rizvo a suspect for illegal issuance of citizenships', mentioned on cover, by M. Cubro – NN carries that BiH Security Ministry is aware that **Samir Rizvo**, one of the appointed heads of working groups, has been suspected for illegally awarding citizenships, but has not reacted. Article also carries that **Mustafa Bisic**, former Sarajevo Cantonal Prosecutor, has also been appointed to head the team while he had failed process of appointing prosecutors and was removed.
Terzic: European integrations, ticket to better future	**Oslobodjenje** pg 5 'Way to Europe – ticket to better future', mentioned on cover – In a New Year's message to all BIH citizens, BiH Council of Ministers Chair **Adnan Terzic** said that 2005 was reformatory year, marked by numerous positive steps on the road to European Union. Terzic expressed assurance that the road to Euro-Atlantic integration is our only ticket to a better future. "*This is an opportunity we must not, and I am sure, that great majority of citizens to do not wish to miss, because of those who will live in European BiH in the future. We must proceed with reforms for the sake of a better future,*" said Terzic.
DL, Oslobodjejne: most important thing is to continue SAA talks	**Dnevni list** pg 9 'Opening of negotiations with EU was an event of the year' by HINA – In a year marked by the Dayton anniversary and reformatory processes, agency says that the most important even was launching negotiations on the Stabilization and Association Agreement with the EU. **Oslobodjenje** pg 9 'European path' op-ed by Daniel Omeragic – Author says that the most important issue next year is to continue SAA talks. He also praises decision of abolishing entities' defence ministries and armies, underlying this decision has strengthened the BiH as state.

Mostar Mayor Beslic: On the doorsill to being united city	**Dnevni list** pg 10 'On the doorsill to united city', mentioned on cover, by Sanja Bjelica – In an interview to DL, Mostar Mayor, **Ljubo Beslic**, estimates the events in 2005 stating that the biggest success was establishment of joint departments in City Administration, expressing hope that the Administration would be entirely established by mid next year. The biggest problem for City, says Beslic, is unsolved financial matters: *"VAT introduction, obligations imposed on us which are consequence of situation in former municipalities would burden normal functioning of the city administration in a future. We work hard on proposal of measures to improve situation."*