OHR BiH Media Round-up, 3/1/2006

Latest radio news broadcast at 12.00 on 3 January

RADIO HERCEG- BOSNA(12,00 hrs)	RTRS (12,00 hrs)
Const. changes talks	Talks on const.
continue today	changes resume
Bandur (HNZ) on	Gas delivery
const. chgs talks	normalized
M. Dodik on const.	Causevic on VAT
changes talks	refund

TV news broadcast on 2 January

RADIO HERCEG- BOSNA(18,00 hrs)	TV PINK (18,00 hrs)	BHT 1 (19,00 hrs)
OHR on VAT introduction	News not broadcasted	Major floods in Kulen Vakuf
Reduced delivery of gas to BiH		VAT implementation, day 2
Regional news		100,000 KM for the vote in RS NA?
World News		FBiH budget to be discussed again

NTV Hayat (19,00	FTV (19,30 hrs)	RTRS (19,30 hrs)
hrs)		
Explosive device in	Russia-Ukraine gas	New Year's party
trolleybus in SA	dispute	outcomes

Explosion in Banja	Gas reductions	Citizens reactions to
Luka	possible in BiH	VAT
Report on a co-	Major floods in Kulen	OHR on VAT
operative society	Vakuf	
Prices in increase in	VAT implementation,	VAT at Raca crossing
ВіН	day 2	border

Oslobodjenje	Organizer of attack on Srebrenica lives as pensioner in Valjevo
Dnevni Avaz	An explosive device found in trolleybus
Dnevni List	Cars cheaper, groceries more expensive (VAT)
Vecernji List	Howitzers for Storm were received from UN (Croatian forces used Serb artillery that was provided by then UNPROFOR)
Slobodna Dalmacija	7000 believers enter New Year in prayer
Glas Srpske	Tihic again making addenda
Nezavisne Novine	Less gas in BiH too
Blic	Mozart beat up on trumpeters
Vecernje Novosti	Serbia related headlines

LATEST NEWS OF TODAY

Talks on	RS Radio – The representatives of the
const.	eight political parties from BiH have
changes	this morning resumed talks on
resume in	constitutional changes in Sarajevo.
Sarajevo	Reporter notes that RS parties still
Sarajevo	oppose to establishment of institution
	of one President while F BiH parties
	demand one president. Krstan Simic is
	today attending the meeting on behalf
	of the SNSD. It also carries Sulejman
	Tihic statement, promoting abolishment
	of institution of president of entity.
	Dragan Cavic assessed latest Tihic'
	initiative as "being not serious". He
	expressed hope solution, that all
	parties find suitable, would be
	identified, noting <i>"it is illusionary</i>
	to expect some major demands would be
	implemented."
	Douglas McElchany , US Ambassador to
	BiH, did not want to make any comment
	regarding talks.
	RHB also covered the issue.
Dukic: RS	RS Radio – Branislav Dukic, the
politicians	President of the Coordination Board of
should not	SPONA (Serb Movement of NGO's), is of
succumb to	the view that political leaders from
Tihic'	the RS should abandon talks on
demands	constitutional changes following
	latest Tihic's initiative (regarding
	abolishment of entities' presidents).
	Dukic is of the view Serb
	representatives should not succumb to
	any sort of pressure or ultimatum of
	Tihic and those implementing politics
	of Alija Izetbegovic.
L	1

Gas delivery	RS Radio – Salih Vatrenjak, Technical
normalized	Director of "BH Gas" has confirmed in
	a statement to RTRS that the delivery
	of gas from Russia to BiH has
	normalized as of today, noting that
	new problems on this issue are not
	expected.

	Economic/Social Affairs
ITA to officially present the first VAT payment today	<pre>Oslobodjenje pg 2, mentioned on cover 'First official VAT payment to be presented today' - BiH Indirect Taxation Administration is officially going to present the first VAT payment on Tuesday. Dnevni Avaz pg 8 'First 34 marks of VAT paid by Haris Causevic' - According to the daily, the first VAT was paid at the Sarajevo Airport on January 1 by Haris Causevic from Sarajevo, who imported a modem card valued at KM 200.</pre>
OHR welcomes introduction of VAT system in BiH	RHB, Hayat, FTV, RTRS, Oslobodjenje pg 2 'VAT will bring new jobs in BiH', Dnevni Avaz pg 8 'VAT represents a major boost to BiH's economic prospects', Slobodna Dalmacija pg 17 'Bigger public incomes, less corruption' by D.P., Vecernji List pg 3 'OHR welcomes beginning of VAT application' by ra, Dnevni List pg 5 'VAT will raise living standard' not signed, Nezavisne Novine pg 3 'OHR welcomed VAT introduction', Glas Srpske pg 2 'Key of European doors' by M.Mi. – The OHR welcomed the launch, on 1 January, of Bosnia and Herzegovina's new VAT system. "Introducing VAT is a key precondition for BiH's further integration in Europe, but – just as important – it can deliver real benefits to the people of BiH long before full membership of the EU becomes a reality," said OHR in a press release issued on Monday. "The VAT system that has bee adopted in BiH will increase government revenue, which can be spent on upgrading social services. It will make tax evasion more difficult, thus benefiting honest businesses, and it will help reduce the corruption that is such an unwelcome part of life in BiH. Finally, it will make potential investors think seriously about putting money into BiH businesses and thus creating new jobs," the release read.

Not a single inspection team in BiH started checking the level of bread, milk and cooking oil prices BHT Svjetlana Teodorovic – Not a single inspection team in BiH went out into the field to check the level of bread, milk and cooking oil prices, two days after the Value Added Tax (VAT) introduction. The prices of bread in Banjaluka have been increased by 25 percent, although state and entity Governments earlier underlined that the prices of basic life groceries should not be increased by more than eight percent. "We estimated – and our estimations turned out to be correct – that the prices of life groceries will be increased by approximately 30

percent", stated Dragovan Petrovic from the RS Consumers' Movement. But citizens of Banjaluka were not able to report the enormous increases in the prices of bread on Monday, because nobody answered a calls made on

the free telephone line of BiH Indirect Taxation Administration. Consumers' Associations believe that

such omission should have never happened, because merchants form their prices even during holidays or idle days. But even if the citizens were able to report the enormous increases in the prices of bread, it would have no immediate effect, because – unlike in FBiH – RS Price Monitoring Team has not been formed yet. "I believe that Monitoring team will be established sometime next week",

optimistically stated Petrovic. According to some unofficial information, the prices of bread in BiH have not been increased beyond limits, although FBiH Price Monitoring Team is still on holiday. "There were no activities so far, and there won't be any until Wednesday", explained Head of the FBiH Price Monitoring

Team Ibrahim Tirak.

Hayat Zumra Arnautovic – Report brings feature on increase in prices of food and basic goods after introduction of VAT. Namely, featured citizens said that prices of bread, milk, oil, etc have been increased while prices of coffee detergents, etc have been reduced. Most of the featured citizens judge introduction of VAT.

FTV, RTRS, Sarajevo dailies carried similar reports.

NN op-ed critical of BiH authorities failing to start monitoring prices increase following VAT introduction	Nezavisne Novine op-ed pg 7 'What is VAT to us?' by <u>Rubina Cengic</u> – The author criticizes the authorities and inspection services over VAT and increase in prices and says at the end everything will be the same – prices will gradually grow, citizens will still buy goods because one must live out of something, while the authorities will continue to justify growth of prices with a better future for those who are now 17 years old. She also notes that the prices of electricity will grow mid year, when everyone will be preoccupied with pre- election circus and this would lead to another wave of increases in prices, concluding: "We will survive this as well, because someone will have to vote'."
DL feature on VAT: Some products will be become cheaper, basic groceries expected to go up	Dnevni List, front pg splash and pgs 4-5 'Cars cheaper, groceries more expensive', by <u>Anja Vrebac</u> – carries a hefty article dedicated to the introduction of VAT, noting that whilst some products, like cars, appliances etc will become cheaper, the fact that worries the most is the expectation that basic groceries will become more expensive. According to Dinko Corluka, the Director of department for taxes with ITA, the basic groceries must not become more expensive by 17%. He explains there are recommendations that the retailers decrease their profit rates, thus take away the burden off the customers, underlining if someone were to abuse the VAT and make extra profit, big fines and closing of shops would take place.
BiH Central Bank: No reasons for inflation in BiH because of VAT	Dnevni List, pg 5 'VAT will not cause permanent inflation', <u>not signed</u> – on the occasion of introduction of VAT in BiH, the BiH Central Bank informed the citizenry that there were no monetary reasons for permanent inflation in BiH. The Central Bank explains it will continue implementing the current regime that has maintained the low level of inflation in past years.
DL op-ed on VAT: Concern with increase of process of basic groceries	<pre>Dnevni List, pg 2 'Citizens hit by VAT', by Arijana Beus - Commenting on the start of application of VAT, Beus is concerned with increase of prices for basic groceries, and to make matters worse, she notes that even the entities are yet to adopt respective budgets, which could affect the budget beneficiaries, foremost the</pre>

BHT: 'Political trade' behind the scene of the discussion on RS budget for 2006

BHT Zoran Sarenac - 'Political trade' has been going on behind the scenes of discussion on RS budget in the RS National Assembly last week, DNS' representative Drago Kalabic stated for BHT. Unnamed source from the RS Government confirmed to BHT reporter that the vote in favour of RS budget was worth up to 100,000 KM. The first to bear the brunt were the representatives of caucuses with only few representatives, but - according to BHT reporter - it seems that those who were offering money paid most attention to the representatives of PDP; therefore, even the PDP president Mladen Ivanic had to intervene on the very day of RS NA session. "We had no indication that any of our delegates would not vote according to party's decision. Therefore, as far as they are concerned, there were no such things. But I am well aware of the rumours that are spreading around... and I think that - if those rumours are true - it is a very bad thing which should be investigated", stated PDP's Igor Crnadak. Former Party for BiH delegate Milosava **Jakovljevic** has been recently expelled from this party because she wanted to support SDS' budget. Jakovljevic is now an independent delegate, and BHT reporter speculates that she might have been rewarded for her support. "I'm not defending this Government, but I hear delegates' remarks that the problem is not the budget, but the Government. I must say - if we live in a primitive society and this Government has just invented fire or a wheel, they would not be adopted in this Assembly. Or the multiplication table, let alone the periodic table", Jakovljevic tried to excuse herself. The first case of attempted bribery in RS NA has not yet been closed up in the court, but this time the informer, DNS' Drago Kalabic, was not offered money. "The only consequence of the last case is the fact that they are now avoiding me and my party. But we have information that similar things are still happening, such pacts and transactions", stated Kalabic, but he did not explain who are 'they'. "42 representatives are necessary to elect new Government, and I wish them all the best to do that" stated RS Minister of Finance Svetlana Cenic, although - at first glance - it is not clear why BHT broadcasted this statement at this point of the report. BHT reporter concluded this report by saying that RS President Dragan Cavic will publicly speak about the Government that does not have the Parliamentary support, and the RS NA itself, on a traditional reception on January 5th.

BHT: Both Houses of FBiH Parliament to	BHT – Both Houses of FBiH Parliament will discuss the FBiH budget for 2006 later this month. FBiH Prime Minister Ahmet Hadzipasic should hold talks with the representatives of the political parties that form the
discuss the	parliamentary majority, in order to remove the obstacles
FBiH budget	for the adoption of the budget. BHT presenter concluded
for 2006	that the fact that entities' budgets have not yet been
later this	adopted is an obstacle for adoption of social programs
month	for alleviating the consequences of Value Added Tax
monten	introduction.
VL on future	Vecernji List, pg 3 'State and entities are fighting for
of former	property of former SFRJ', by <u>Eldina Medunjanin</u> – VL
state	explains that a commission, which was established at the
property in	request of the High Representative, Paddy Ashdown, and
BiH	which was expected to prepare a Draft law on belonging
	of state property one month ago, will start with a
	serious work tomorrow. VL notes the commission is
	expected to come up with the Draft law that would
	regulate issues pertaining to which property is owned by
	the state and which by the local self-government units.
	The daily explains that most of the property, which used
	to be owned by the Socialist Yugoslavia and Socialist
	Republic of BiH, is now in ownership of the entities,
	cantons and municipalities, and VL expects that the RS
	will try to hold on to the property it is in possession
	at the moment, which will determine the work of the RS-
	appointed members to the said commission.
Delivery of	RHB, BHT, Hayat, FTV, other BiH media – Hungarian
gas to BiH to	company MOL announced that they will decrease delivery
be reduced?	of natural gas to BiH and Serbia by 40%. Almost whole
	Europe is to suffer due to a lack of gas caused by
	Russian-Ukraine gas-dispute.

	Political Developments/Reforms
Talks on	BHT, Hayat, FTV, RTRS – The talks on
constitutional	constitutional changes in BiH are to be
changes to	continued in Sarajevo on Tuesday, after
continue in	the leaders of eight biggest political
Sarajevo today	parties so far have not been able to
	reach an agreement on BiH Presidency. If
	the agreement on this issue is finally
	reached, political parties will discuss
	the structure of the state parliament.

	Oclobedianie na 2 (To sive outbouity is
S. Tihic: 'To	Oslobodjenje pg 3 'To give authority in
give authority	full capacity to BiH as a state' –
in full	Commenting on continuation of the
capacity to	constitutional changes talks scheduled
BiH as a	for Tuesday SDA President Sulejman Tihic
state'	stated that he believes that it would be
	important to reach an agreement on
	abolishment of Houses of Peoples, that is
	Councils of Peoples in the entities and
	institution of an entity President since
	they appear as parallelisms and redundant
	in this reform. Tihic added that this
	stand is in accordance to the things that
	the Venetian Commission proposes in its
	opinion.
S. Halilovic:	Oslobodjenje pg 3, mentioend on cover 'It
'It was given	was given to entities to tailor
to entities to	sovereignty of BiH' by R. Kolar carries
tailor	Safet Halilovic from SBiH commenting on
sovereignty of	the constitutional changes talks. Among
BiH'	the other things, he says that the
	proposal that has been offered from the
	very beginning should not be treated as a
	legitimate draft for the Constitution. He
	added: 'Instead that sovereign BiH passes
	its own Constitution as supreme
	legislative Act the logic of the Dayton
	Peace Accord has been offered to us where
	original sovereignty has been given to
	the entities and they decide to what
	extent sovereign and functional the state
	would be' He added that in the Donald
	Hays' proposal this logic of the DPA
	remains and it has been even enhanced in
	some its aspects compared with the DPA
	itself.

Bandur (HNZ) on constitutional reforms talks: Difficult negotiations of future of BiH Presidency

Dnevni List, pg 8 'Unquestionable unity of Croat negotiators', by Ivana Rozic -Vice President of HNZ, Mate Bandur, who will take part in today's and tomorrow's continuation of constitutional reforms talks, confirms that the talks will focus on the issue of BiH Presidency. He says the talks are difficult since the parties have different positions, namely the Serb representatives believe there should be a 3-member Presidency that should rotate each 4 months, whilst the Croat side believes there should be one President and two Vice Presidents whose term would last 4 years. Such Presidency (the Croat proposal), explains Bandur, would have jurisdictions that would be divided among the President and Vice Presidents, explaining that issues of vital national interests such as foreign policy, finances, army and police, would require consensus from both Vice Presidents. Bandur also explains that the Croat side is against the Serb representatives' proposal that one member of BiH Presidency is elected in the RS, and the remaining two from the FBiH.

RS parties still oppose to one president

Glas Srpske cover pg splash 'Tihic again making addenda' by <u>Z.M.</u> – On the eve of

today's resumption of talks on constitutional changes, GS reports that Sulejman Tihic will today make further demands on the issue - namely he would demand abolishment of the institution of Presidents of RS and F BiH. It further reports that Party for BiH, SDP of BiH and Croat Peoples Party previously announced it would support election of one president, while parties from RS (SDS, SNSD' Krstan Simic and PDP' Zoran Tesanovic) support maintenance of tripartite BiH Presidency.

Glas Srpske cover pg inset 'New
proposals' by <u>SRNA, EuroBlic</u> RSpg 2 inset
 'Tihic does not give up'_- Sulejman
 Tihic, SDA President, told SRNA news
agency that there will be no agreement on
 constitutional changes "if somebody wants

to maintain the existing situation".

Nezavisne Novine pg 3 'Talks on BiH
Presidency again' by M.Cubro/V.Popovic —
reporting on continuation of talks, daily
carries statements of Beriz Belkic from
Party for BiH (saying his party insists
 on one president) Tihic (see above
 paragraph), Mladen Ivanic from PDP and
 SImic from SNSD (opposing to one
 president).

EuroBlic RSpg 2 'All kept previous stances' by M.Milic – reporting on continuation of talks with somewhat same remarks: RS parties oppose to one president (carrying statement of Milorad Dodik). Also carries statement of Miso Relota from HDZ urging other rather than cosmetic changes of constitution.

US Ambassador	Dnevni Avaz pg 2 'BiH politicians are not
McElhaney on	asked to change the world' by L.
constitutional	<u>Sinanovic</u> – US Ambassador to BiH Douglas
reform talks:	McElhaney stated that unless talks on
BiH	constitutional changes are brought to an
politicians	end, BiH will face difficulties in
are not asked	convincing people abroad that a normal
to change the	structure of authority exists in BiH.
world	Nevertheless, the Ambassador expressed
	his optimism and added that the talks
	will continue with discussion on BiH
	Presidency in Sarajevo today (Tuesday).
	'It is the fact that no person here talks
	about changing the world but about a
	reform that is not difficult to implement
	at all', McElhaney added.
Osl. op-ed on	Oslobodjenje pg 9 'Year of entrance
BiH's tasks	exams' <u>by Z. Dizdarevic</u> carries en
and challenges	editorial on tasks and challenges that
in 2006	BiH is to be faced with in 2006. Among
	the other things, the author says:
	'Constitutional changes will not change
	considerably the BiH political and legal
	framework and correlation of forces.
	Confrontation of two options would
	continue, that is preservation of the RS
	at any cost and preparing of BiH for
	Euro-Atlantic integration. Within this
	controversy resoluteness of the USA and
	EU would be crucial as a necessary
	stimulus for forming of strong BiH
	democratic core with Euro-Atlantic
	orientation.'

Austrian Presidency over European Union will open new dimensions in the EU relations with countries of Western Balkans BHT <u>Gvozden Sarac</u> – Austrian Presidency over European Union will open new dimensions in the EU relations with countries of Western Balkans. Officials in Vienna have already underlined that the Western Balkans' countries would be their priority. "The ministerial meeting, scheduled for March in Salzburg, between representatives of EU and Western

Balkans' countries would be the opportunity to take an inventory of the situation on Balkans — how much progress each country has made, and what they should do in the future. For us, it is the opportunity to show our dedication to the reform process", stated Director of the BiH Directorate of European

Integration **Osman Topcagic**. BHT reporter briefly reminded that the BiH talks on the Stabilisation and Association

Agreement with the EU have been officially opened in November 2005, and that the first round is scheduled for January 25th 2006. BiH Council of Ministers formed the negotiating team, headed by **Igor Davidovic**, and appointed the other members of negotiating team. According to BHT reporter, there is one controversial appointment: Samir Rizvo should negotiate the issues of asylum, immigrations and visa regime, although he was once suspected of illegally granting citizenship to persons from Africa and Asia. Deputy Minister of Security Dragan Mektic explained that the only important thing is that Rizvo has never been sentenced.

VL on SAA	Vecernji List, pg 3 'Finland is crucial
talks: BiH	for SAA', by <u>dja</u> – The author notices
should have	that no matter how favourable a fact that
better	Austria will be chairing the EU in the
relations with	next 6 months, Finland should be even
Finland	more important for BiH since Finland will
	take over from Austria at times when BiH
	is expected to complete the SAA talks.
	However, VL warns that BiH-Finland
	relations are very poor, underlining that
	neither BiH nor Finland have resident
	ambassadors in respective countries.
HR Ashdown	Dnevni Avaz pg 2, mentioned on cover
awarded by	'Queen Elisabeth presented an award to
British Queen	Ashdown' <u>by S. N.</u> - HR Paddy Ashdown was
for his	on Monday awarded with the Medal of Large
service in BiH	Cross Knights, the order of St. Michael
	and St. George. British Queen Elisabeth
	II gave him the medal for his service in
	BiH. His close associates Edward
	Llewellyn, Julian Astle and Ian Patrick
	were awarded as well.
Dzihanovic	Dnevni List , pg 7 'Initiate appointment
calls on	of new minister', <u>not signed</u> — FBiH Vice
Lozancic to	President, Sahbaz Dzihanovic , calls on
initiate	the FBiH President, Niko Lozancic, to
procedure on	immediately take a decision and accept
appointment of	the resignation of the current FBiH
new FBIH	Minister of Energy and Industry (Izet
Minister of	Zigic), and initiate a procedure
Energy	pertaining to appointment of a new
	Minister.

Crime/Legal Proceedings

Osl:	Oslobodjenje cover pg and pg 6
'Organizer of	'Organizer of attack on Srebrenica is
attack on	pensioner in Valjevo' <u>by A. Avdic</u>
Srebrenica M.	carries that Oslobodjenje has come
Zivanovic	into possession of the documents which
lives as	directly confirm that Major-General
pensioner in	Milenko Zivanovic planned and was in
Valjevo'	charge of the complete action whose
	goal was conquering of the enclave
	Srebrenica. Oslobodjenje says that
	after recent arrests for this crime on
	the ground of the BiH Court orders, it
	seems that he would never be held
	accountable for this war crime since
	he has been living in Valjevo, Serbia,
	where he enjoys the pension of the RS
	Army. Osl. also says that is
	especially strange that Zivanovic's
	case has not be processed by the ICTY
	since his successor Radislav Krstic
	has been sentenced for genocide.

SiCG Defence	Vecernje Novosti pg 5 'Military
Minister	formation of frauds and deceptions' by
denies Army is	<u>TANJUG, <mark>Glas Srpske</mark> pg 3</u>
aiding Mladic	'Responsibility, then penalties' by
	<u>TANJUG, Nezavisne Novine</u> pg 2
	'Mladic's son was taking Mladic'
	pension' by AFP <u> </u> SiCG Minister of
	Defence Zoran Stankovic stated that
	Ratko Mladic's son was the one who was
	taking up pensions of Mladic until
	middle November 2005. He also said
	Mladic authorised his spouse, son and
	two officers of the SiCG Army (one of
	whom is still active while another one
	retired) to pick up his pension.
	According to him, Mladic' the payment
	of Mladic' pension will be suspended
	until Maldic' son resolved
	irregularities related to this issue.
	According to him, the military
	services in charge are investigating
	why two officers failed to inform
	their superiors officers of
	authorization they had. He also
	announced that in 20 days time,
	Military-security Agency will announce
	to public all information related to
	Mladic and other war crime suspects,
	that may have suggested to Hague
	investigators Army is aiding Mladic,
	concluding there was no ground for
	such suspicion.

A suspicious	BHT, Hayat, Dnevni Avaz cover page, pg
explosive-like	3 'An explosive device found in
package found	trolleybus', Nezavisne Novine pg 2 'An
in a Sarajevo	explosive device detected at trolley',
trolleybus	announced on cover 'A bomb detected at
	trolley' by <u>D.Muminovic</u> – The Sarajevo-
	based Gras public transportation
	company representatives informed
	Canton Sarajevo Ministry on Interior
	that suspicious explosive-like package
	has been discovered in a trolleybus
	parked in garage. Cantonal police
	immediately launched an investigation
	that will establish if it really was
	about an explosive device or not.