# OHR BiH Media Round-up, 5/12/2005

#### Latest radio news broadcast at 12.00 on 5 December

RADIO HERCEG-BOSNA (12,00 hrs)	RTRS (12,00 hrs)
BiH Presidency's session today	OSCE Ljubljana conference
FBiH Government's session today	Matijasevic and Andan inThe Hague
Ivanic at OSCE Minist.  Council mtg	KosMet update

#### TV news broadcast on 4 December

RADIO HERCEG-BOSNA	<b>TV PINK</b> (18,00 hrs)	<b>BHT 1</b> (19,00 hrs)
(18,00 hrs)		
World news	McElhaney at Circle 99	Washington continuance
	session	in Sarajevo
HKDU receives letter	Davidovic on SAA	BiH Court takes over
from Visoko	talks	cases
HSP BIH holds convention	Sarovic's defence to	Demand of BiH PoWs
	file an appeal Association	
Granic's book presented	Maric as Head of Sarovic's Defence	
in Mostar	GrudeMunicipality	objects detention

NTV Hayat (19,00 hrs)	FTV (19,30 hrs)	RTRS (19,30 hrs)
Sarovic to appeal on detention order	Murder suspect arrested	Cases transferred to BiH Court
Property issue in Neum area	McElhaney's press conference	Sarovic's appeal against detention

BiH companies owe 4	nnies owe 4 New Head of Four persons arrested	
billion KM	GrudeMunicipality	in Bijeljina
Low turnover in BiH	Investigation against	Investigation against
Lutrija	Krstic	Krstic

Oslobodjenje	[Davidovic] It is possible to reach agreement with  Brussels in one year
	Brussets In one your
Dnevni Avaz	[Biber] This authority is culpable for dismissals of
	workers
Dnevni List	Trials against Majic, Medic and Nuic to begin (trails
	for war crimes in Herzegovina)
Vecernji List	For first time there is money for children bonus (FBIH
	Govt on 2006 budget)
Slobodna	Features Croatia related headlines
Dalmacija	
Nezavisne	2.5 tons of depleted uranium in BiH (proposal for
Novine	establishment of BiH Agency for nuclear security)
Glas Srpske	Debt over BAM 300 million
EuroBlic	Custom officers at Raca without power, water and phone
	lines (owing to technical problems)
Vecernje	Features Serbian related cover splash
novosti	

## LATEST NEWS OF TODAY

Burns: USA
is against
any division
of Kosovo;
Slovenia
good example
for BiH

RTRS, RHB- US Under Secretary for Political Affairs Nicholas Burns said in Ljubljana where he attends the 13<sup>th</sup> OSCE Ministerial Council meeting that the USA is against any division of Kosovo. He added: 'We do not believe that the division would be a good solution. We are against any changes of Kosovo borders and any changes of the borders in whole Balkan.' Talking about BiH he said that Slovenia can be a good example for BiH showing as to how a state can progress if it reforms and focuses on the future and not past. He added: 'We believe that BiH would respect the deadline of March 2006 and implement democratic reforms.'

BiH Presidency in session RHB — The BiH Presidency's session takes place today. Among the other things, they should adopt a proposal of the decision on many bilateral agreements and the agreement on loan between BiH and the European Bank for Reconstruction and Development (for reconstruction of power distribution) is among them.

Matijasevic and Andan in The Hague RTRS — Darko Matijasevic and Dragomir
Andan, RS Interior Minister and RS Police
Director, have left for the Hague.
According to Radovan Pejic, Spokesperson
of the RS MOI, this is a regular official
visit of RS officials.

### Judicial proceedings / War crimes

Sarovic to appeal against detention, Defence: detention decision made after legal deadline expired; Rattel: indictment by 14 December

PINK, BHT1, Hayat, RTRS, Dnevni List, pg 4 'Defence lodges appeal against Sarovic custody', not signed, Glas Srpske pg 3 'Complains to follow' by **Z.Domazet**, Nezavisne Novine pg 6 'Defence will complaint against detention procedure' by SRNA -Defence attorneys former senior RS and BiH official, Mirko Sarovic, arrested under suspicion of being involved in the crimes related to the Privredna Bank East Sarajevo, will file the complained against the decision of the BiH Court which set him to a month detention. Sarovic's lawyer, Dragisa Jokic, said detention request was filed improperly adding the decision was made few hours after a deadline set by the law. Dnevni Avaz pg 10 'Mirko Sarovic to appeal against detention'- Inset 'Indictment by 14 December' - International prosecutor, Jonathan Rattel, said that the indictment against four suspects — Sarovic, Momcilo Mandic, Milovan Cicko Bjelica and Milorad Govedarica — in the case of Privredna Bank will be filed by 14 December. Sarovic, Bjelica and Govedarica are being kept in the detention in Doboi.

Several
cases of
Cantonal
Courts
handed to
BiH
Prosecutor's
Office

'Investigations about suffering of
Bosniaks and Croats', not signed, Vecernji
List, pg 2 'Investigations launched', by
id, Nezavisne Novine pg 8 'Crimes against
Bosnaiks and Croats being investigated' by
SRNA — BiH Court has handed several cases
of Cantonal Courts to BiH Prosecutor's
Office over the past few months, dealing
with investigations on genocide and war
crimes committed against Bosniak and Croat
civilians in BiH during the war. Nezavisne
novine carry the list of cases
transferred.

DL:
Indictments
against 3
Croats from
Ljubuski,
300
indictments
against
Croats from
Herzegovina

Dnevni List, front pg splash and pg 3 'Trials against Majic, Medic and Nuic to begin', by M. Batarello - DL learns from sources close to the BiH Court that indictments for crimes against non-Croat citizenry of Herzegovina are being prepared. Among the indictees are reportedly Vice Majic (former head of municipality of Ljubuski), K. Medic and I. Nuic from Ljubuski. Allegedly, Majic will be charged with expulsion of Bosniaks from Ljubuski, whilst Medic and Nuic will charged for the role they played in running of prison camps in Herzegovina. Spokeswoman of BiH Prosecution, Edita Pejovic could not confirm the information. Inset '300 indictments against Croats arrived?' notes that the daily learns from sources close to the Cantonal Prosecution in Mostar that the Cantonal Court in Mostar and BiH Court have received some 300 indictments against Croats from Herzegovina, majority of which are to be processed by the Court in Mostar. DL also notes that the HDZ President, Dragan Covic, recently confirmed in the media that 300 indictments would be raised against Croats from Herzegovina.

DL op-ed: Croats not an equal people in BiH? Dnevni List, pg 2 'What's in store for
Croats?', by Arijana Beus — comments on
the news about possibility of war crimes
 charges against 300 Croats from
Herzegovina, saying if the news turn out
to be true, it will confirm fears that the
Croats are not an equal people in BiH.
However, Beus notes this story could be
hoax.

BiH War
Crimes
Chamber took
over cases
of war
crimes
against
"Doboj
triplet"
Bjelosevic,
Stankovic
and Ninkovic

Dnevni Avaz pg 10 'BiH Court took over cases of Doboj inhabitants Ninkovic, Bjelosevic and Stankovic' — Daily learns that BiH War Crimes Chamber decided at the end of last week to take over cases of war crimes (including genocide, crimes against humanity) against "Doboj triplet", Andrija Bjelosevic, Milovan Stankovic and Milan Mico Ninkovic, which was run before Zenica Cantonal Court. Daily further lists positions the suspects assumed during the war, concluding that the list of witnesses also includes the name of Borislav Paravac, Serb member to BiH Presidency.

BiH PoWs ask to be "friends of courts" in BiH WCC trials BHT1, FTV, Oslobodjenje pgs 4-5 'PoWs request to be friends of the court',

Dnevni Avaz pg 3 'Victims need to be protected both from defense and prosecution'- Association of War Prisoners sent a letter to The Chair of BiH Court

Meddzida Kreso and member of BIH

Presidency Sulejman Tihic asking them to allow their association to participate in the trials to war crime indictees as "friends of the court". The Association proposed to have its representative, a lawyer, attending the trial in order to provide a moral support to the prosecution witnesses.

#### Constitutional changes / SAA talks

US McElhaney
addresses
Circle 99:
Final result of
const. changes
depends of
strongest
parties;
certain
politicians to
respect
deadline for
changes

FTV by Ognjen Blagojevic — US Ambassador to BiH Douglas McElhaney said in Sarajevo on Sunday that the interest of the US in BiH is a peaceful and stabile country, integrated into Euro-Atlantic structures. Speaking before the members of the 'Circle 99', Association of Independent Intellectuals, McElhaney pointed out that without intellectual and nongovernmental circles' impacts, BiH would not be able to reach the best way to organize authorities and society. Asked whether during the recent talks on constitutional changes held in Washington he sensed any movement towards a civic orientation in the positions of the leaders of BiH parties the US Ambassador said that he considers positive the mere fact that official political structures in BiH have started to discuss constitutional changes between themselves. Dnevni Avaz pg 2 'It is good Dayton has not been considered Holly Scripture any more' - "In principle, all political leaders agree that there was a need to open these talks and that there was a good beginning in Washington. However, the final result will depend on the strongest political parties," added McElhaney underlying these were necessary to join the EU. BHT 1 — McElhaney said he is convinced that politicians will honour the deadline and carryout changes till March 31st. PINK, Hayat, Oslobodjenje pg 3, mentioned on cover 'Constitutional changes by March', Dnevni List, pg 5 'Interest of USA is stable BiH', not signed, Vecernji List, pg 2 'McElhaney: Bush will solve all problems in Balkans', by dja, Nezavisne Novine pg 2 'First constitutional changes by beginning of January' by R.Cengic-

also reported.

New round of talks on const. changes on Tue in Sarajevo; HDZ demands abolishment of cantons; SNSD: SDA not ready for reforms; SDS: focus on Presidency, Parliament, CoM; Tihic not to be present due to a trip

**Dnevni Avaz**, pg 8 'Cosmetic changes are unacceptable for majority', by <u>L. Sinanovic</u> -Announces that the second round of talks about constitutional reforms will continue on Tuesday with participation of **Donald Hays** and his associates. The talks will gather representatives of SDA, SBiH, HDZ, HNZ, SDS, SNSD, PDP and SDP. Mirsad Ceman (SDA) notes that the party will stick to its earlier positions, and according to Avaz the same goes for SBiH and HDZ, whose spokesman Miso Relota notes that the two-entity division of BiH is unacceptable for HDZ. He also notes that the HDZ will not agree to abolishment of cantons if the entities remain in place. President of SNSD's Executive Board, Nebojsa Radmanovic, notes: "We are ready to actively continue talking about constitutional reforms. However, the question is whether all are ready for it, because the raising of issues with the Constitutional Court shows that either Suleiman Tihic or SDA are not ready for reforms. If this goes on, I am sure that issues that have been agreed upon will not be realized". SDS' Momcilo Novakovic expects progress in talks, adding that this could happen only if talks are to focus on the issues of BiH Presidency, Parliament and BiH Council of Ministers. Dnevni List, pg 5, mentioned on front 'Agreement between parties about entities impossible', by Ivana Rozic — carries statement by HDZ's Relota, and statement by the SDA President, Suleiman Tihic, who will not attend the talks since he will attend meeting of states of Islamic conference in Mekka. "Our position is clear, it goes along the lines given by Nicholas Burns and Ollie Rehn, which are the one President (of BiH), Government and Prime Minister instead of Council of Ministers".

Covic to
represent HDZ
at Tuesday's
mtg; BHT1: SDA
still has no
appointed
representative;
Simic: Const.
changes must be
reached through
compromise

BHT 1 By Sanita Lisica Biberovic— At the upcoming meeting on the constitutional changes, HDZ will be represented by Dragan Covic, who was not presented in Washington, and some media speculated that USA haven't allowed him entrance in the country. Majority of FBiH Parties aren't satisfied with agreed changes, stressing that they lead to nowhere. HDZ Spokesperson, Miso Relota underlines abolishment of cantons and parallel preservation of two entities would be unacceptable. Tihic says the reason for his absence from the meeting is a trip to conference in Mecca that can't be postponed, but according to the reporter he still hasn't appointed the person that will represent SDA. "We truly aren't satisfied with these solutions proposed so far; in fact we aren't satisfied with stances of RS Parties, whereas their representatives aren't prepared to go to significant and true changes," said Mirsad Ceman from SDA. "If Tihic or anyone else, is expecting that constitutional changes are only what he says...will be terribly wrongconstitutional changes have to be a compromise, a good analyses and foundation for establishment of consistent legal system in BiH," said Krstan Simic of SNSD. RTRS — Hays stated that expects the talks to be focused at the continuation of discussion on the future role of the BiH Parliament and Presidency. He added he will also work with parliamentary commissions on preparing amendments to BiH Constitution. Vecernji List, pg 5 'Croats of central Bosnia are concerned', by <u>Vlatko Ivankovic</u> — Statement of the HDZ Vice President Marinko Cavara on future of BiH same like Relota's.

Oslobodjenje
int/ with
Davidovic:
Possible to
reach agreement
with Brussels
in one year,
become EU
member state in
10 years

Oslobodjenje cover pg splash 'It is possible to reach agreement with Brussels in one year' and pgs 4 and 5 'Big setting a house in order is ahead of us' by M. Kavaz-Sirucic carries an interview with Chief BiH negotiator with EU Igor Davidovic who says that expectations according to which consent on all elements of the SAA would be achieved in one year are realistic. Davidovic also believes that BiH can negotiate within the current constitutional frameworks and he added that the issue of constitutional changes has been intensified lately, however it is completely clear that the constitutional changes would not influence considerably the course of the negotiations. Asked to comment on the statement given by chief Bulgarian negotiator with EU who said that his biggest challenge is to resist the influence of Brussels and not to forget that he represents his country, Davidovic said: 'I used to tell our diplomats in Washington: never forget that we do not represent interests of the US administration in BiH, but the other way around. I am aware what it means to find oneself before the powerful administration which starts to dictate. I have never had problems with that.' PINK, BHT1, Glas Srpske pg 3 'First round in middle of January', EuroBlic RSpg 2 'First round by 15 January' by <u>SRNA</u> — Davidovic also stated that the first round of negotiations was going to be held in period of January 15-20, 2006. Adding that he expects talks to be over within a

year, Davidovic adds that in that case BiH would officially become the EU member in 10 years.

Solana arrives
to BiH: There's
too much crime
in BiH; Any
attempt to link
Kosovo with
other regional
issues will be
rejected

**Dnevni Avaz** pg 5, mentioned on cover 'There is too much crime in BiH' by S. Numanovic carries an interview with EU High Representative for Common and Foreign Policy Javier Solana who will visit BiH this week. Asked as to what concerns him the most when security in BiH is in question Solana says: 'There is too much crime especially the organized crime and this is not just a BiH peculiarity but the problem of the region as a whole...For this reason the BiH security structures must become more efficient.' Asked whether the negotiations on the Kosovo status might cause instability in the regions, Solana strongly denied it and he added: 'The International Community would strongly and resolutely reject any attempt to connect the negotiations on Kosovo with any other regional issue.' DA inset 'Significance of opening SAA process' carries Solana as saying that the beginning of the SAA process is a huge step ahead and a signal that now BiH leaders must have a bigger role and commitment in realization of the reforms which are necessary for BiH's approaching the EU. Another DA inset 'Shortening of deadline for police reform' carries Solana as saying that the police reform must implement as soon as possible and within the deadlines that were set in agreement with BiH Parliaments and European institutions.

Nezavisne Novine op-ed pg 7 'Balkans turning point' by <u>Javier Solana</u> Daily carries op-ed by <u>Javier Solana</u>, along the same lines as his statement given to *Dnevni Avaz* today. **BHT 1**, **Dnevni List**, pg 6 'Solana meeting Ashdown', by <u>agencies</u>, Vecernji List, pg 3 'Javier Solana in Sarajevo tomorrow', by <u>id</u>— also reports on Solana's arrival.

## Other political issues

HDZ's Maric wins early elections in Grude RHB, PINK, BHT 1, FTV, RTRS, Dnevni Avaz pg 4 'Viktor Maric elected new mayor', Oslobodjenje pg 7, mentioned on cover 'Titanic did [not] sink' (referring to nickname of one of candidates), Dnevni List, pg 2 'Viktor Maric is new mayor of Grude', by De. L., Vecernji List, pg 2 'Viktor Maric is mayor of Grude', by tk, Slobodna Dalmacija, pg 13 'Expectation did not come to life, HDZ wins', by Danijel Ivankovic- The BiH Election Commission announced on Sunday preliminary results of the early election for the Grude Mayor held on December 3 according to which Viktor Maric from HDZ won over 60% of votes. Extraordinary elections were held in Grude after the former Mayor passed away.

HSP holds program convention: abolish two entities

RHB- HSP BIH Djapic- Dr. Jurisic held a programme convention in Mostar on Sunday. It has adopted guidelines of party's policies, especially with the regard to the BiH internal order. Leader of the party, Zvonko Jurisic, stated in an interview to RHB that the large part of the elections platform has been agree don, adding that the main message is that the Dayton Peace Agreement must be changed. "Message of the convention is to abolish entities in BIH since current order of BIH is certainly not acceptable for EU or Croats in BIH", says Jurisic. Oslobodjenje pg 2 'To Europe without entities', Vecernji List, pg 2 'Djapic for abolishment of Dayton division of BiH', by Velimir Begic, Slobodna Dalmacija, pg 13 'Single BiH without entities', by Zoran Zekic - also reported on the convention.

ATV int with Tihic: my stance on const. changes has not changed

ATV 'Nedjeljne vijesti' [Sunday news program] by Dragan Stegic - In an interview to ATV, BiH presidency member, Sulejman Tihic, talks of his initiative to change the name of the Republika Srpska before the BiH Constitutional Court, underlying that he has had no intention to use the initiative to obstruct or prevent the negotiations on constitutional changes but on contrary. As for his request on the change of the RS flag, anthem and insignia submitted to the Court over a year ago, Tihic believes that in the light of the constitutional changes it would be just right for the highest judicial instance to make a decision on this legal matter. As for the further course of the talks on the constitutional changes, Tihic underlines his stance has not changed: there should be just one President without Vice Presidents, the Prime Minister and strong government instead of the Council of Ministers; a functional Parliament, where there would be no entities voting in the House of Representatives and the Council of Peoples dealing only with the issues of the vital national interests. Commenting the current mayhem between the parties in the RS, Tihic says this is not a new situation in which everybody announces resignations but nothing changes.

ATV in with
Bukejlovic:
PDP should
 act
reasonably
 to avoid
 problems
 with
adoption of
 budget/
 economic
 policies

ATV 'Nedjeljne vijesti' [Sunday news program] by Igor Pozgai - Commenting the PDP's intention to move to opposition, the RS Prime Minister Pero Bukejlovic says he expects PDP deputies to act reasonably in order to avoid problems with the adoption of the budget and economic policies, otherwise the reform processes and position of the RS might be endangered. He repeats having no intention to resign and adds that PDP just plays political games, noting it has started earlier than expected. Bukejlovic also stresses that the power in the RS is practically in the hands of PDP, not SDS, because its staff holds all key positions. Prime Minister concludes that there should be no crisis in the Government, as it would also mean a crisis in the Council of Ministers.

Terzic calls
on Cavic to
propose new
ministers
instead of
Ivanic and
Dokic

Nezavisne Novine pg 3 'Let Cavic propose two new ministers', announced on cover 'Let Cavic propose new ministers and deny confidence to Ivanic and Dokic' by <u>V.Popovic - Adnan</u> Terzic, BiH COM Chair, voiced message to Dragan Cavic, RS President, that if he wanted to see Mladen Ivanic and Branko Dokic removed from ministerial positions, he should propose two new candidates to these positions, instead of vying with the PDP. Terzic said: "Vying in regard to personnel issues between Cavic and Ivanic represent beginning of preelection campaign and are counter-productive for BiH, that should turn to SAA talks with EU instead of preparations for elections." He added the issue of Ivanic' and Dokic' status. has been open for months now, adding they are working in technical mandate since they have a support of OHR for that. Mladen Bosic, SDS Vice President, commented on Terzic' call saying that SDS has not as yet decided whether it would demand removals of Ivanic and Dokic. Mladen Ivanic, PDP President, stated that PDP decided to leave coalition with SDS since SDS has been pre-occupied with party instead of RS interests.

Dokic: PDP ministers will not leave BiH COM Nezavisne Novine pg 2 'Trust to RS Government on agenda' by <u>V.P.</u> — Reporting on Sunday's night session of PDP (discussing its issue of trust to RS Government), NN carries statement of Branko Dokic, member of PDP Presidency, saying PDP would stick to its stance to remain at opposition. On the issue of status of PDP Ministers at BiH COM, he said that PDP Ministers would not leave CoM just because SDS made that demand, rejecting SDS accusations that personnel issues are main reason for split between SDS and PDP.

HR Ashdown: Bosna is not Kosovo

Vecernje Novosti pg 2, announced on cover 'Bosna is not Kosovo' by <u>Dusan Stojakovic</u> -In a page-long interview to daily, Paddy Ashdown, High Representative to BiH, is summarizing results of his three-and-a-half year "rule" in BiH. HR admits he made some mistakes during his mandate, without willing to exemplify those, adding: "When I came to BiH, I set four tasks to myself. The first is to bring BiH to the course of statehood, results of which I am satisfied...My second task was that BiH heads towards EU, which has been done...Third goal was to bring the state in a phase when it no longer needs HR. I have never stated I would be the last one on this position, but I am happy with the announcement of IC that BiH would no longer need institution of HR in October 2006 if BiH continued its progress towards EU. The fourth task was to stop young people leave BiH. it seems to me this exodus has been somewhat slowened, but still insufficiently." He stresses that the Kosovo issue has nothing to do with BiH, noting that any attempt to change BiH border would have catastrophic consequences and would represent playing with fire that would raise tensions in the entire region. On RS status, he says he has never stated RS should be abolished, reiterating that only and solely RS citizens can decide on RS destiny. On police reform, he reiterates police reform is the last big reform demanding reduction of sovereignty, noting there will be more reforms in BiH in the future that should make it more functional. He strongly rejects journalist speculation that BiH is a field for experiments of international community.

R.
Gregorian:
'If BiH
invests a
little it
will not be
capable for
NATO'

**Dnevni Avaz** pg 4, mentioned on cover 'If BiH invests a little it will not be capable for NATO' by L. Sinanovic carries an interview with Defence Reform Commission Co-Chairman Raffi Gregorian who said that the defense reform will not implement according to the plan if the BiH Parliament does not adopt the budget for defense amounting to 300, 5 millions KM. He is also certain that if the BiH Council of Ministers' proposal gets the support, BiH will not have time to join NATO and he added: 'At this moment BiH must 'buy' capability since this is what NATO is interested in...If you invest a little, you would be developing more slowly and you will not be capable and this will not be a positive signal.'

BiH- SCG agreement on dual citizenship Oslobodienie pg 5 'RS Government requests for changes', **Dnevni Avaz** pg 8 'RS Government requests for changes to the BiH-SCG agreement on dual citizenship' — The RS Government tasked the RS Ministry of Administration and Self-governance to start an initiative on its behalf before the BiH Council of Ministers for opening talks with representatives of SCG to change the agreement on dual citizenship. Changes to the agreement should define that the dual citizen would carry out military and other official duty in the country of his residence. The Government stated that the initiative has been launched after it has noticed certain shortcomings in the implementation of the agreement on dual citizenship between BiH and SCG.

#### **Economic issues**

Biber accuses
authority for
future
dismissals of
workers
following VAT
introduction

Dnevni Avaz cover pg splash 'This authority is culpable for dismissals of workers', pg 2 'Authority will be culpable for dismissals of workers' by E.Plecic -In a statement to daily, Edhem Biber, President of BH Syndicate, reiterates that VAT introduction would lead to destruction of several hundreds of firms and dismissals of thousands workers, saying: "The authority will be the sole culprit for dismissals of workers." He does not exclude the possibility that Syndicate would call on workers to hold general strike and serious measures, if tax collectors start seizing property over incapability of firms to pay taxes.

FBiH Govt on 2006 budget

Vecernji List, front pg splash and pg 3
 'For first time there is money for
 children bonus', by Zoran Kresic — The
 FBiH Government will today (Monday)
discuss a draft FBiH budget for 2006. The
 FBiH Finance Minister, Dragan Vrankic,
hopes the budget will be adopted in the
 both chambers of the FBIH Parliament by
 end of year.

Cenic: Budget
expenditures
in RS to
amount to BAM
926 million at
most

Nezavisne Novine pg 8 'Budget expenditures in RS to amount to BAM 926 million at most' y <a href="P.Klincov">P.Klincov</a> - <a href="Svetlana Cenic">Svetlana Cenic</a>, RS Finance Minister, Sunday stated that the draft budget expenditures of RS for 2006 will amount to BAM 926 million, including the increase of allocations to police, pensioners and those employed at fields of education and culture. She noted amount mentioned refers only to expenditures and should not be mixed with the overall draft budget for 2006 (whose amount she did not want to specify). Commenting on impact of VAT introduction for 2006, Cenic said they have anticipated the amount of BAM 19.8 million with an aim to alleviate consequences of possible price increase. She noted that VAT tax would lead to revenue increase, adding: "BiH ITA anticipates revenue increase of 10%. Still, it is a matter of technique as well, not just realistic expectations."

RS Govt. and
RS firms fail
to pay
contributions
to RS PIO
Fund

Glas Srpske cover pg splash 'Debt over BAM 300 million' by R.S.-D.V.M. — Daily writes that firms in RS owe over BAM 200 million, while RS Government owes over BAM 80 million to RS Pension and Disability Fund. Director of RS PIO Fund, Slavko Basic, accuses Tax Administration as main culprit for this negative inflow of money and its effect upon small pension' checks.

Deputy
Minister
Grubesic says
it will be
difficult to
reach
property-legal
agreement with
Croatia

Dnevni List, pg 6 'Whole agreement between BiH and Croatia is questionable', by Danka Polovina-Mandic - According to the BiH deputy Justice Minister, Niko Grubesic, it will be very difficult to reach an agreement on property-legal issues between BiH and Croatia. He explains there are several disputable issues, foremost regarding the RS Government's request that Croatian property in BiH becomes the entity's property and that BiH's property in Croatia becomes Croatian property. Other disputable issue is related to the tenancy rights of Croatian Serbs now living in BiH since Croatia is calling upon the Strasbourg Human Right Court 's verdict according to which the tenancy right is not the property right.

Dragicevic, BH
Amb. In
Croatia:
Property
return is
crucial
problem

Glas Srpske pg 2 'Property return is crucial problem' by M.Dizdar — In a brief interview to daily, Aleksandar Dragicevic, newly appointed BiH Ambassador in Croatia, says that one of the most important issues in relation between BiH and Croatia is to see Agreement on property and legal affairs signed between the two states, stressing that one of crucial issues is the issue of property return to refugees and DP's on both sides.

Ivanic in favour of giving bigger subsidies to BiH agriculture

Knezevic from RS Bar Chamber non-supportive of new Law on Obligations EuroBlic RSpg 3 'Regulations run over with time' by <u>Tijana Veselinovic</u> — Following last week's message Martin Ney addressed to BiH Parliamentary Assembly (urging the adoption of the Law on Obligations), daily carries statement of **Zlatko Knezevic**, President of the RS Law Chamber, passing on the view of Chamber that there is no grounds for enactment of new law, adding that some corrections should be added to the existing law instead. Thomas Mayer from GTZ urges the adoption of New Law instead.

Financial police / investigations and audits

Vrankic urges abolishment of Financial Police in BiH

Nezavisne Novine pg 10 'Financial Police to be abolished' by <a href="R.Cengic">R.Cengic</a> - <a href="Dragan">Dragan</a> Vrankic, F BiH Finance Minister, has confirmed that the F BiH Financial Police will be abolished, since it has lost 95% of its powers through several reforms at the state level, reminding that such a service does not exist at either entities or state level at the present time. He explained by saying: "The service has been lately engaged by the BiH Court and BiH Prosecutor's Office to assume some tasks SIPA or ITA should do. Since Service has lost its legal powers, the proposal is that those employed at Financial Police are transferred to newly established services." Milos Babic, BiH Court Judge, respects arguments of F BiH Finance Ministry, noting that BiH still does need Financial Police. Financial Police did not want to make any comment, while some individuals from this service claim that the issue "was launched by the HDZ through Vrankic and upon an order from Deragan Covic and Ante Jelavic, who are being tried on the basis of evidence Financial Police has compiled." Dnevni List, pg 9, mentioned on front 'SIPA does not want Financial Police's staff', by Mensud Zorlak - also brings Vrankic's statement.

Nisic: SIPA
collects
information
about
financial
frauds; senior
BiH
politicians,
officials
involved?

Dnevni List, pg 8, mentioned on front
'Arrests of political tycoons to begin',
not signed — According to the President of
Association of old foreign currency savers
 in BiH and Diaspora, Svetozar Nisic,
 members of SIPA were recently at the
Association's premises in Banja Luka when
 the Association handed over to SIPA
documentation on involvement of a thousand
 persons in money laundry, embezzlements,
tax evasions etc. According to DL, list of
 names involved include, among others,
Mladen Ivanic, Mato Tadic, Dragan Covic,
 Dragan Cavic, Hasan Cengic and the
 Lijanovic brothers.

EUFOR detected irregularities in work of private security agencies in BiH

Nezavisne Novine pg 6 'Irregularities detected at security agencies' by <u>S.Karic</u> – James Thomas, EUFOR Spokesperson, Sunday stated that during weekend' inspections at security agencies (on Thursday launched by EUFOR and local police across BiH), certain irregularities in the work of these agencies have been detected, without being willing to specify any of such.

OHR expects
names of those
responsible
for ERS
misdealing by
New Year

Nezavisne Novine pg 4 'The name of those responsible by New Year' by R.S. — Daily learns at OHR that OHR expects from RS Government to soon publish measures that have been undertaken with an aim to establish those responsible for omissions at "RS Elektroprivreda" (established in audit report). OHR reminded that names of those responsible must be published by New Year. Miladin Gligoric, RS Minister of Economy, Energy and Development, previously stated that concrete results on investigation into ERS dealings may be expected, without being able to confirm whether investigation will have completed by the end of year.