OHR BiH Media Round-up, 5/7/2006

The OHR Media Monitoring service is being improved. As of 3 July we will be offering you two distinct daily reports; the Morning Brief, covering all BiH's top stories, and the afternoon BiH Media Roundup, containing the latest agency and radio news, summaries of relevant articles published by the international media and summaries of articles published by BiH's periodicals.

OHR BiH MORNING MEDIA BRIEF

RADIO HERCEG-BOSNA (18,00 hrs)	TV PINK (18,00 hrs)	BHT 1 (19,00 hrs)
No news broadcast due to strike	HR insists on decision on AFBiH	Heart Centre to be opened
	HR on Dixon's mandate	RS NA in session
	Estonian Minister visits BiH	FBIH HoR in session
	Humphreys meets Cavic in BL	BIH Court Prosecution on Jelavic

NTV Hayat (19,00 hrs) FTV (19,30 hrs)		RTRS (19,30 hrs)
Audit of the work ofHeart Centre to beBiH institutionsopened		RS NA in session
OHR, Presidency on BH Issue of employment in armed forces Ze-Do		Live report from RS NA session
Law on the Rights and Duties of MPs	Privatisation of Energopetrol at halt	Dodik on veterans and war disabled
Distribution of revenues issue	FBIH HoR in session	Day of Veterans marked in RS

Oslobodjenje	List of 'disabled' veterans includes even those who weren't in Army?! [Audit of disability]
Dnevni Avaz	We have no election favorites [Ambassador McElhaney]
Dnevni List	DNA analysis identifies sharpshooter (murder case in Ljubuski)
Vecernji List	Tudjman wanted to annex Herzegovina (J. Manolic testifies in the Hague)
Slobodna Dalmacija	Covic appoints his lawyer head of Mostar hospital
Nezavisne Novine	BiH needs Agreement, not Resolution
Glas Srpske	Rights before duties (RS NA session)
EuroBlic	Pension after only one mandate (RS NA session)
Vecernje novosti	Features Serbian related topics

Economic issues/ MPs duties and benefits

RSNA adopts law on rights and duties of MPs stipulating more benefits for parliamentarians RTRS Momcilo Ostojic – On Tuesday in Banja Luka, the RS National Assembly adopted the Law on rights and duties of MPs in the RSNA and RS Council of Peoples that enables former deputies to retire after only one mandate and 55 years of age. The RS Government strongly opposed the law, claiming its implementation would pose much larger

demands on the budget. The RS Finance Minister Aleksandar Dzombic stated the Government at this moment could only increase budget for 2007, however that would require cut down of funding for other for purposes. SNSD deputy Drago Kalebic sharply criticized the new law. SDS deputy Slavko Dunjic stated that those opposing the law are only aiming

to get pre-electoral points, claiming some of them earlier had supported it. DEPOS' Nedjo Djuric reminded that even those who voted against the law would benefit

of it.SDA's MP, Tarik Sadovic, noted that most parliamentarians are not going to use the right for early pension, but he stressed it was necessary to regulate a status of MP's by law. The Head of the RS Association of Pensioners Rade Rakulj stressed this law is unacceptable, as nobody could earn pension after only one mandate in the Parliament. Rakulj expressed hope the RS President is not going to approve this law. OHR also criticized the law, stating that it is not fair to increase the pensions of parliamentarians before an increase in salaries of other citizens. Report concluded with comments of citizens all sharply condemning the newly adopted law. **PINK** – The Law set an average pension of a former MP to 700 KM. RSNA adopted the Law with only three votes against it. Dunjic stated that this law would require the additional budget in amount of only 560.000 KM in 2007. Hayat by ATV Banjaluka – 55 deputies voted in favour of the Law. "The biggest dilemma for me was whether it was moral [thing to do] or not. But than, the real question *is – what is moral?"* wonders Dunjic. DEPOS' Djuric was one of the rare MPs who abstained the vote; all PDP representatives voted in favour of this law, just like the MPs from SDA. BHT1, FTV, Oslobodjenje pg 3 'Deputies increased their salaries' <u>by Fena</u>, **Dnevni Avaz** pg 8 'RS MPs to have pension of KM700' by Onasa - also covered.

GS says Law to be returned to Parliament procedure if RS President Cavic refuses to sign it	Glas Srpske cover pg splash 'Rights before duties' by D. Momic – Regarding Tuesday's adoption of RS Law on rights and duties of MP's, MP Drago Kalabic [SNSD] claims the Law was enacted under a pressure of a group of SDS delegates, but he did not deny some SNSD delegates too have supported the law [ATV reported that Kalabic said he did not support the Law, but SDS Slavko Dunjic immediately denied his claim, by showing Kalabic's signature on the proposal of the law]. GS comments that the Law cannot come in force without an approval of RS President Dragan Cavic and carries a comment of DEPOS's Dusko Vukotic who believes such a scenario might be possible, adding: "The Government disapproved the Law and President Cavic will not want to sign it. In this way, he and RS PM [Milorad] Dodik will present themselves as guardians of people and collect political points prior to elections." Nevertheless, even if President Cavic refused to sign the Law, the Law would be returned to the Assembly procedure and, if delegates enacted the Law again, it would be considered as a final confirmation of the Law. Inset 'Delegates failed' – Chair of RS Union of Syndicates Ranka Misic strongly criticised the adoption of the Law, since high salaries and pensions should first be justified through work.
RS NA Speaker did not want to comment on adoption of Law, saying he did not support it	<pre>EuroBlic cover pg splash 'Pension after one mandate only' and pgs RS2-RS3 'Non-scrupulous way to privileges' by Rajna Radosavljevic - RS NA Speaker Igor Radojicic did not want to comment on the adoption of the Law, but he said he did not support it because he does not believe the solutions incorporated into the Law were good. PDP's Veselin Poljasevic said he believes RS and RS NA need to have such a law because all neighbouring countries have one. Nezavisne Novine pg 4 'Average MP's pension of BAM 700' by P.Klincov/D.Risojevic - also adopted.</pre>
OHR criticised enactment of RS Law on rights and duties of RS MP's	Nezavisne Novine pg 4, announced on cover 'Average MP's pension of BAM 700' inset 'OHR criticized Law' – OHR criticized Law on rights and duties of RS MP's. OHR Spokesperson Oleg Milisic said that RS NA by this law provided its deputies with higher pensions and other benefits higher than those of other citizens. Milisic believes that media and public should ask for reasons why deputies have right for higher pay than regular citizens.

GS op-ed critical	Glas Srpske op-edpg 2 'Joy of taking' by <u>Veljko Kojovic –</u>
of RS NA Law on	The author is critical of Tuesday's decision of RS MP's
rights and duties	to adopt the Law on rights and duties of MP's, raising
of MP's	the issue of whether Law stipulates RS citizens should
	pay privileges to MP's family members in case that, God
	forbid as he says, something happens to them. He
	concludes the article by raising the issue of what people
	will say at October elections.

FBiH HoR discusses draft of Law on Income Tax PINK Zeljko Mandic – At the session held on Tuesday, FBiH House of Representatives discussed the draft Law on Income Tax. The proposed Law would replace existing Law on salary taxes and a series of similar cantonal laws. According to the proposed law, all citizens would be obliged to register their income and pay 10% or 20% taxes. FBiH Finance Minister Dragan Vrankic explained the citizens with monthly income of up to 300 KM would pay 10% or less tax, adding students and pensioners would be exempted from payment of Income Tax. The discussion on this proposal has finished. The MP's are supposed to vote on it in the session scheduled for Wednesday. BHT1 – BiH Independent Trade Unions President Edhem Biber, deems that this law would worsen situation for citizens since the

income tax was so far 5%. FBIH Government disagrees noting that so far every citizen had guaranteed monthly deduction of 100 KM plus deduction on family of 170 Km. Vrankic said that in this way "an increase of the income tax will not radically change since most of the citizens will not pay more than 6%". FBIH HoR delegates asked for the introduction of the differentiated income tax rate for the citizens with higher incomes and redemption for the incomes lower than 300 KM. This law has been in the procedure for the last three years. It anticipates all the tax rates in all FBIH cantons and RS to be equalized. Hayat by Lejla Gutlic – According to NTV Hayat reporter, it is not clear what has been concluded, because some representatives in the FBiH HoR claim that BiH citizens will pay less, while others deem that citizens will have to pay more. The Law on Income Tax is one the reform laws, which should replace previous FBiH law on income tax and twenty other cantonal laws and regulations, stated Vrankic, adding: "We will collect the same amount of revenues as in 2005, but 60 percent of tax payers will pay less taxes than before." FTV - Opposition was against the proposed law, claiming BIH citizens still haven't recovered from the Value Added Tax. Dnevni List pg 5 'Vrankic: citizens will pay less tax' unsigned Vecernii **List** pg 2 'Vrankic: 60 percent of citizens will pay less tax' by F, Nezavisne Novine pg 4 'Voting on Law on income

delayed' by <u>R.Cengic</u> – also reported.

FBiH HoR discusses Law on lowest net hourly wages	Hayat – FBiH Parliament on Tuesday discussed the draft of the law on lowest net hourly wages in FBiH, which stipulates 1.25 KM net hourly wage for apprentices, and 1.75 KM net hourly wage for full time staff. During the discussion, representatives adopted the amendment proposed by SDP representative Damir Masic; he claims that the law was discriminating, and that the net hourly wage should be the same for all workers. PINK, FTV, Dnevni List pg 5 'Government rewarding illegal employers' by Mensud Zorlak, Oslobodjenje pg 6 'Novice's hourly wage is 1,5KM' by H.A.also covered.
OHR: Dixon 's mandate expires on Friday; HR is currently reviewing the situation	PINK – Asked to comment the speculations on extension of the mandate of the Indirect Taxation Administration Steering Board's Chair, Joly Dixon, the OHR Spokesman Oleg Milisic confirmed it expires on Friday. According to Milisic, the HR Christian Schwarz-Schilling spoke to Dixon on Monday, and is currently reviewing the situation.Milisic stated that a decision regarding this issue could be expected within days. RTRS, Nezavisne Novine pg 3 'OHR: Decision on Dixon in the next few days', Oslobodjenje pg 7 'Decision on mandate of Joly Dixon in days to follow' by Fena, Dnevni Avaz pg 8 'Decision on Dixon in following days' by Fenaalso covered.
BiH CoM Chair says if OHR does not extend mandate to ITA Chair, BiH COM can appoint BiH Fin. Min. to run this position	Nezavisne Novine pg 3, announced on cover 'Maric maybe instead Dixon' by <u>R. Cengic-</u> Adnan Terzic, BiH CoM Chair said if OHR does not extend mandate to ITA SB Chair Joly Dixon, or if Dixon does not accept mandate extension,CoM can appoint Ljerka Maric, BiH Minister of Finance to the position of ITA SB Chair, adding "I am definitively against new foreigner at the head of this institution since it encourages RS PM in his attacks on this institution and single account. I believe HR should extend mandate to Dixon and CoM in meanwhile should pass the law by which BiH Minister of Finance should be also at the position of ITA SB Chair". Dragan Vrankic, FBiH Minister of Finance also believes that ITA SB should be BiH-run institution.

DA int with McElhaney: allocation issue must be solved ASAP	Dnevni Avaz cover splash, pg 5 'We have no election favorites' <u>by Sead Numanovic</u> - In a lengthy interview to DA, the US Ambassador to BiH, Douglas McElhaney, commented the situation with the allocation of public revenues: "I am certain that decision-making-process has to start in BiH Fiscal Council, in order for this country to resume moving in the right direction. We are here to help for such things to happen." He noted issue of allocation from the single ITA account has to be solved carefully. Ambassador denied speculations that he is collision with the EC because of prolonging of mandate for Indirect Taxation Administration Steering Board Chair Joly Dixon, saying: "I have no special stance on Dixon's mandate. I believe that issues have to be solved inFiscal <i>Council.</i> "
New talks on	Hayat – According to Hayat presenter, new talks on the
coefficients for	coefficients for distribution of revenues from the Single
allocation from	Account will take place by the end of the week, because
Single Account to	the mandate of the Indirect Taxation Administration
take place by the end of week	Steering Board Chairman Joly Dixon expires on Friday.
After blockade of single account FBiH Finance Ministry claims that FBiH can survive for 20 days without new incomes	<pre>Dnevni Avaz pg 2 'Federation can survive 20 days without new incomes' by M.Kukan- Director of BiH Indirect Taxation Administration, Kemal Causevic, commented on newest blockade of single account and explained that payments for June would be carried out, while new VAT applications [payments to single account] would disable financing of the state and servicing of the foreign debt. Causevic stressed that he expects for about 100 million KM to be collected at the single account in period from July 1-10, where VAT applications are being submitted. It is still unknown when would the financing of entities and Brcko District start again, but FBiH Finance Ministry confirmed the statement of FBiH PM Ahmet Hadzipasic, who stated after Monday's session of BiH FC that none of FBiH citizens would feel the consequences of this blockade. As DA notices, bit ironically, FBiH Finance Ministry explained this with the claim that FBiH has reserves with which can survive for about 20 days without new incomes.</pre>

RS representative	Oslobodjenje pgs 4-5 'Demand for fixed coefficients is
in ITA SB Kudic:	result of fear from forgery' <u>by Marina Kacvaz-Sirucic</u> –
RS is not to be	Commenting the blockade of single account, member of ITA
blamed for	Steering Board from the RS, Miodrag Kudic, told daily
blockade of	that RS is not to be blamed for this, stressing that he
single account	is more concerned by the fact that BiH and FBiH Finance
	Ministers haven't attended, though the session of the
	Fiscal Council was priory announced. Kudic stressed that
	RS' insisting on fixed coefficients, instead based on VAT
	applications [as the Law foresees], and is based on the
	fact that many of VAT applications do not contain the
	data on final consumption, which is necessary for
	calculating of coefficients. Coordinator of Brcko
	District within Council of Ministers, Sinisa Kisic,
	stated that the only right way of allocation is as the
	Law foresaw it. He stated that demand for fixed
	coefficients is a result of a fear that data could be
	falsified before the statistic analysis.
Oslob: even those	Oslobodjenje cover splash, pg 3 'List of 'disabled'
who weren't in	veterans includes even those who weren't in Army?!' <u>by</u>
the army are on	<u>A.B.</u> Daily carries that the Commission for audit of the
lists of disabled	certificates issued on circumstances in which an army
and killed	member suffered injuries or was killed has checked 1,111
veterans	cases which were deemed as problematic on basis of
	anonymous reports. Out of total, 130 cases were found
	"very disputable". As daily carries, the Commission
	revealed that among "disabled or murdered veterans" there
	are those who never even were in the army and that their
	medical files were falsified during the war. Lists with
	names of " <i>suspicious</i> " were submitted to FBiH Ministry of
	Veterans, which is the only one that can take away the
	privileges enjoyed by the veterans and their families.
	However, daily stresses that no one has to be concerned,
	not even those who died or were wounded in criminal
	activities, since former FBiH Defence Ministry has set
	very vague definition of "on line of duty" in such manner
	that even a suicide is considered as military duty.

Defence and police reforms

HR concerned over BiH Presidency's failure to approve proposed decision on size and structure of BiH Armed Forces

PINK by Adriana Domazet – The OHR's press release issued on Tuesday reads that the HR Christian Schwarz-Schilling was concerned by BiH Presidency's failure to meet its legally set deadline for approving proposed decision on size, structure and stationing of the Armed Forces of BiH. OHR spokesman **Oleg** Milisic remained that 1 July deadline set under the BiH Law on Defence, which came into effect on 28 December 2005, expired at the end of last week. Milisic quoted Schwarz-Schilling, who said that "by missing this deadline, BiH Presidency is delaying implementation of critical military reforms. In its capacity as a collective Commander-in-Chief, the Presidency must take this up at its next meeting as a matter of urgency." The proposed decision on the size, structure, and stationing of the BiH Armed Forces has been developed by BiH Minister of Defence Nikola Radovanovic and his Transition Team with NATO advisory input. FTV - According to Paravac's Military Advisor Dragan Kapetina this decision might be adopted at the session on Wednesday. Hayat, RTRS, Dnevni List, pg 6 'Take decision on Armed Forces', not signed, **Slobodna Dalmacija**, pg 10 'Postponement of military reform', by <u>D. Pasic</u>, Nezavisne Novine pg 3 'NATO sanctions are possible' by D. Muminovic Inset 'Schilling appealed on the Presidency to undertake an urgent action', **EuroBlic** RSpg 2 'Defence reform slowened' by M.S., Dnevni Avaz pg 11 'Jovic still asking for larger number of Croats in BiH AF' by E.Sarac, Inset 'Schwarz- Schilling concerned because of the failure'- also covered focusing on OHR stance.

Dnevni Avaz pg 11 'Jovic still asking for DA: main problem in larger number of Croats in BiH AF' by E.Sarac Decision on – At its Wednesday's session BiH Presidency structure of would discuss the proposal of Decision on Armed Forces structure, size and deployment of BiH Armed is insisting Forces, which was submitted by BiH Defence Ministry [three months ago] and which should of Presidency have been passed by July 1. As DA writes, the key issue is insisting of Croat member of BiH member Jovic Presidency, **Ivo Miro Jovic**, that BiH Armed on 25% of Croats Forces should contain 25% of Croats, which is not in accordance with BiH Defence Law, which foresees that national balance would be in accordance with population census from 1991. According to latest information, as DA writes, Jovic was prepared to decrease his demand for few percents, but DA stresses that accepting of this demand in this phase would present violation of all current agreements in defence reform. DA also stressed that other two members of BiH Presidency, Sulejman Tihic and Borislav Paravac, had no objection to the Decision and were prepared to pass it immediately.

NATO's Gregorian: BiH might face NATO sanctions unless Presidency adopts decision on Armed Forces on Wed Oslobodjenje pg 3 '0.5% of military personnel to others' <u>by A.P.</u> Advisor of NATO HQ, Raffi Gregorian was informed that structure of BiH Armed Forces would the second agenda item at the Wednesday's session of BiH Presidency.

"But if they do not agree on national representation of soldiers, the structure would be withdrawn from the agenda," said Gregorian. As daily learned, it was agreed that number of "others" is 0.5%, meaning that

difference from pre-war 7.9% of "others" would be divided to three equal shares, to which Bosniak have objected. "The more they discuss the more they open issues that were already solved by the Law," said Gregorian, adding that at its Thursday's session NATO's highest body, North-Atlantic Council, would

be informed about the fact that BiH Presidency hasn't acted in accordance with the Law. Nezavisne Novine pg 3, announced on cover 'NATO sanctions are possible' by D. <u>Muminovic</u> – Gregorian warned BiH might face NATO sanctions unless BiH Presidency members adopted the final text of the decision on size, structure and locations of BiH Armed Forces. Gregorian noted there are no indications the issue would be resolved at session and added: "Apart from betraying the promise that they will reach an agreement, BiH Presidency members were in no rush to organise the session earlier but scheduled it for Wednesday.". NN reads the final text of the decision had not been agreed upon as yet.

US	Dnevni Avaz cover splash, pg 5 'We have no
Ambassador	election favorites' <u>by Sead Numanovic</u> — In a
McElhaney	page long interview to DA, the US Ambassador
warns	to BiH Douglas McElhaney, stressed defence
defence,	reform has to be completed, adding he is
police	aware of a halt in this process, thus he is
reforms must	in contact with the NATO HQ. McElhaney
be completed	underlines it is time to conclude this issue,
	noting US wants to see BiH is joined to the
	Partnership for Peace. Ambassador also said
	the police reform is something else necessary
	to sign the Stabilization and Association
	Agreement, noting that opponents of this
	reform have to realize what needs to be done
	so that police structures would serve the
	citizens. However, McElhaney hasn't agreed
	with the Author that reforms are "falling one
	after another", adding that consensus isn't
	always easy to reach. Inset 'ICTY
	cooperation'- McElhaney stressed that US
	Government would not give up the intention to
	arrest most wanted war crimes' indictess,
	especially Radovan Karadzic and Ratko Mladic .

PRD SB to discuss objection and proposals of PRD SB members; seven objection submitted

Dnevni Avaz pg 9 'Experts continue to agree on model of police structure' by E.Sarac-Police experts, member of Police Reform Directorate's Steering Board, on Wednesday will discuss the proposed model of police structure, as well as objections and proposals submitted by seven members (of PRD SB). DA carries that objections were submitted by Director and deputy Director of SIPA, Sredoje Novic and Sead Lisak, FBiH Police Director Zlatko Miletic, Director of State Border Service Vinko Dumancic, Police Commissioner of Canton Sarajevo Interior Ministry Himzo Selimovic, Police Chief of Brcko District Milenko Milicevic and foreign member of PRD SB, EUPM Head Vincenzo Copola. RS representative in PRD SB, the new RS Police Director Uros Pena, will "continue the tradition of his predecessor" and attend the meeting only as an observer.

EC's Humphreys meets RS President Cavic, discussing SAA talks, police reforms PINK, FTV, Glas Srpski pg 5 'Politicians should show maturity' inset 'Ambassador Humphreys at RS President's Cabinet' by <u>Miroslav Filipovic, EuroBlic</u> RSpg 2 'Reform then association' by <u>T.V.</u> – Head of EC Delegation in BiH Michael Humphreys visited Banja Luka on Tuesday, where he met with RS President Dragan Cavic. Humphreys informed Cavic that the EU is not likely to sign the Stabilisation and Association Agreement with

BiH until BiH makes progress in police reform. Cavic stated the solution for police reform could be reached only through consensus based on political agreement on police reform that has been approved by the EU. Humphreys stated that the negotiations on SAA between BiH Negotiation Team and the EC are going on well, adding that the talks might be completed by end of 2006. Glas

Srpski pg 5 'Politicians should show maturity' by Miroslav Filipovic - In a pagelong interview to daily Humphreys says the BiH politicians should show maturity on the way to their goal, which is EU, stressing that BiH politicians would have to bring and implement important decisions independently owing to OHR closure in 2007. On SAA and currents issues of reforms, Humphreys added Igor Davidovic, BiH Chief Negotiator does his job professionally, noting that SAA talks also deal with free trade and creation of free trade zone. He underlines Agreement may be signed by the end of year, but the act of signing itself depends on overall reform implementation. Humphreys also stresses importance of the public administration reform.

Trials, war crimes and security

Jelavic trial: Prosecution demands higher sentence, defence ask release

Dnevni List pg 2-3 'Defence and prosecution contest verdict' by Erna <u>Mackic</u> – Daily writes that in a hearing before the State Court yesterday both prosecution and defence stated their appeals to the previously pronounced ten year prison sentence against Ante Jelavic, ex HDZ BiH President and BiH Presidency member. Prosecutor Drew Engel said Jelavic actually headed the organization in question whereas defence lawyer Dragan Barbaric said the verdict should be annulled or a new trial scheduled because the verdict is incomprehensible and contains many deficiencies. Judge Nedzad **Popovac** said decision on appeals will be made within legal deadline. Slobodna Dalmacija pg 4 'Jelavic should be tried anew' by <u>Zlatko Tulic</u> – Title source is Jelavic's lawyer Barbaric. Hayat, FTV, RTRS, Vecernji List pg 2 'Acquittal or new trial' <u>unsigned</u>, **Nezavisne Novine** pg 6 'Prosecution demands higher sentence, defence ask release' by <u>A.Dozo</u> – also covered.

RTRS by Sandra Zrnic – At the session held RSNA adopts on Tuesday, the RS National Assembly amendments adopted in an urgent procedure the draft to Crime Code, Law on law on amendments to Crime Code and Law on fight against organised and economic fight crimes. The new amendments were prepared against organized in cooperation with the High Judicial and Prosecutorial Court. According to the crime with Amendments, the Special Prosecution for assistance of HJPC fight against organised crime would be established within Banja Luka District Prosecution. The prosecutors will be appointed by the HJPC. RS Justice Minister Justice **Omer Visic** stated the new legal regulations would improve a fight against organised crime. FTV, BHT1, PINK, Nezavisne Novine pg 4 'Average MP's pension of BAM 700' inset 'Adopted Laws that enable establishment of special prosecution', Glas Srpski pg 3 'Changed Law prevents crime' by Z.M.- G.D. also covered.

BiH	Hayat - BiH Prosecutor's Office has
Prosecution	delivered a request for extradition of the
requests	former RS Prime Minister Gojko Klickovic,
extradition	suspected of committing war crimes, to the
of fmr RS PM	BiH Ministry of Justice. The BiH Minister
Klickovic	of Justice Slobodan Kovac told news agency
	SRNA that this request would be forwarded
	to the Serbian Ministry of Justice.
	Klickovic has already been suspected of
	abuse of office and illegal writing-off
	debts for taxes, excises and fees to
	Tobacco Factory from Banja Luka. He was
	also indicted for war crimes. BHT1, RTRS,
	Dnevni List, pg 3 'Extradition of
	Klickovic requested', by <u>E. M.,</u> Nezavisne
	Novine pg 3, announced on cover
	'Extradition of Klickovic demanded' by
	<u>A.Dj., <mark>EuroBlic</mark> RSpg 2'Klickovic also</u>
	searched for crimes' by <u>M.S.,</u> Oslobodjenje
	pg 5 'BiH demanded extradition from
	Serbia' <u>by E.Kamenica,</u> Dnevni Avaz pg 12
	'BiH Prosecution asked for Klickovic's
	extradition yesterday' <u>by N.J.</u> — also
	covered.
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Presidency member Jovic visits ICTY: Highlights that crimes against Croats must be processed Vecernji List, pg 2 'Jovic attended trials to Herceg Bosna', by Zoran Kresic - Member of BIH Presidency Ivo Miro Jovic met with the ICTY President Fausto Pocar and ICTY Chief Prosecutor Carla Del Ponte on Tuesday. Among other things, Jovic highlighted the lack of processes of war crimes committed against Croats in BIH. During the meeting, the importance of cooperation with ICTY as condition for signing of Stabilization and Association Agreement was stressed, namely arrest of war crime indictees Radovan Karadzic and Ratko Mladic. Jovic also asked from the ICTY to support the work of BiH judiciary in handling war crimes cases. Finally, VL reports that Jovic also briefly attended yesterday's proceedings in the trials to 'Prlic and others', i.e. former Herceg Bosna leaders charged with ethnic cleansing of Croat-majority areas during the war. FTV, RTRS, Nezavisne Novine pg 3 'It is important to apprehend all war crime suspects' by <u>SRNA</u>, **Oslobodjenje** pg 2 'Jovic is dissatisfied with processing war crimes over Croats' by A.Omeragic, Dnevni Avaz pg 11 'Why do crimes over Croats are

not penalized?' - also covered.

SD claims	Slobodna Dalmacija cover splash & pg 9
Dragan Covic	'Covic appoints his lawyer head of Mostar
appointed	hospital' by <u>Petar Milos</u> — SD claims that
his friend	Dragan Covic , HDZ BiH President, has
as head of	arranged for the FBiH Ministry of health
Mostar	to appoint as Chair of Mostar hospital's
hospital to	governing council Covic's personal friend
gain control	and lawyer, Zdravko Raic , who has nothing
of KM 30	to do with health services ' <i>except for</i>
million	owning a health insurance booklet'.
donated to	Covic's motives for this, reads the story,
hospital by	were that he wanted to get hold of KM 30
Croatia	million which the Croatian government
	pledged as its donation to Mostar
	hospital. 'That much money could not
	escape Covic's attention' says <u>Milos</u> , who
	goes on to say that, in this way, Covic
	will not have to pay for the services of
	Raic who has been his lawyer in the trial
	being conducted before the state court for
	some time now. It should be noted, article
	also reads, that these millions are
	especially important now BiH is in for
	elections.

Other political issues

HR meets	BHT1 – The HR to BIH Christian Schwarz-Schilling
Mostar City	has met with members of Mostar City Council in
Council	Sarajevo on Tuesday. They discussed employment in
	the administration, employment surplus and
	possible union between separated Mostar's
	companies. They have also condemned the recent
	incidents in Mostar. At the press conference in
	Sarajevo after the meeting, HR said that they
	agreed to open the vacancies for 35 employees in
	civil service, to set the deadline for dealing
	with the employment surplus and devise the plan
	for establishment of Mostar's Public Utility
	company. Mostar Mayor, Ljubo Beslic, said that
	among other things they discussed the current
	security situation in Mostar and they condemned
	the recent incidents adding that perpetrators
	should be punished. Nezavisne Novine pg 2
	'Problems to be solved by end of July' by <u>M.Cubro</u>
	HR said that all tasks (Single Utility Company,
	accommodating civil servants' surplus) should be
	completed by the end of July. FTV, Dnevni Avaz pg
	2 'Schwarz-Schilling: Violence has to be
	eliminated' <u>by Fena</u> also covered.

Interviews with US Ambassador to BiH: BiH needs Agreement, not Resolution, since BiH politicians and parliaments have to vote for changes Nezavisne Novine cover pg splash 'BiH needs Agreement, not Resolution', pg 5 'There is no such declaration that would change situation in BiH' by <u>A.Sisic</u> – In a page-long interview to daily, Douglas McElchany, US Ambassador to BiH, comments on last week's PACE Resolution on BiH by saying there is no such declaration that would change situation in BiH, since reality is that politicians and parliament have to vote for changes. On ICTY verdict against Naser Oric, he says US Government strongly supports work of ICTY.

He also stresses the importance of 4^{th} July, US Independence Day. Dnevni Avaz cover splash, pg 5 'We have no election favorites' by Sead Numanovic-In a lengthy interview to DA, Ambassador denied speculations he supports SNSD leader Milorad Dodik [especially in events around the police reform and VAT]. He added that he supports no one: "I am trying [to ensure] best solutions are found for BiH... I want... real issues to be talked about during the campaigns, to have election which would be carried out in peace and for them to give government able to do its job." As for the constitutional changes, McElhaney underlined US would continue with its engagement in this issue: "We would continue to be active on constitutional reforms as well. As soon as the election period is over, we would continue activities with political leaders, in order to create more coherent state structures.". Inset 'Closing of the OHR'- Commenting the decision of the Peace Implementation Council to close down OHR end of June 2007, Ambassador said "that principles has not been carved into the stone. We are flexible and at the beginning of next year we'll assess situation to see how and what is to be done. Position of the US in the EUSR would not necessarily mean that we would have our people there, but we will closely cooperate."

EC Humphreys	RTRS <u>by Sanja Popovic</u> – During his visit to Banja
met Director	Luka, Head of EC Delegation in BiH Michael
of RTRS	Humphreys met with the Director of RTRS Dragan
Davidovic;	Davidovic. Humphreys underlined that the reform of
Humphreys	PBS system is crucial for signing of Stabilisation
underlined	and Association Agreement. According to Humphreys,
that the	RTRS has made a great progress in this field, and
reform of PBS	its became a modern broadcasting system that
system is	fulfils EU standards. However, stressed Humphreys,
crucial for	there are still many things that need to be done,
signing of SAA	especially regarding the establishing of joint PBS
	corporation. Davidovic stated that the ECU
	provides great support to the reforms of PBS
	system. He emphasized that RTRS needs additional
	transformation and further stabilisation.
	Nezavisne Novine pg 8 'RTRS did a lot, now it is
	politicians' turn'
VL writes	Vecernji List pg 4'OHR web page says Serbs were
about	majority in Posavina prior to war' by <u>Miroslav</u>
'inaccurate	<u>Vasilj</u> — VL article states that the OHR web page
ethnic	contains an inaccurate map of ethnic
representation	representation in the territory of former
on OHR's web	Yugoslavia. According to OHR info, Bosanska
page'; Serbs	Posavina, with the exception of Brcko, had Serb
wrongly	majority before the war, as did MostarMunicipality
declared	(apart from the city itself), as well as
majority in	<pre>municipalities of Konjic [Bosniak majority],</pre>
many BiH towns	Jablanica [Bosniak majority] and Rama [Croat
	majority]. It is not known, article reads, who OHR
	got this information from, but false data are
	offensive first of all to genocide victims in
	Bosanska Posavina, in which Croats constituted
	relative majority prior to war and Serbs became
	majority only after the war. OHR claims the map
	was not produced in OHR. Sanela Tunovic, OHR
	spokesperson, said 'OHR would look into who the
	source is and then decide what to do about the
	map'.

DA: 'Twenty three	<pre>Dnevni Avaz pg 9 'Twenty three candidates running for BiH Presidency' by E.Sarac – Daily carries</pre>
candidates	that twenty three candidates will run for the BiH
running for	Presidency in the forthcoming general elections in
BiH	October. <u>Sarac</u> comments that the most interesting
Presidency'	race would be for the Bosniak member between SBIH and SDA leaders Haris Silajdzic and Sulejman
	Tihic , respectively. Peoples Party 'Radom za
	Boljitak' candidate is Muhamed Cengic, Patriotic
	Block [SDU-BOSS coalition] Mirnes Ajanovic, and
	independent candidates Adil Zigic and Besco
	Alibegovic. SBiH submitted one more candidate for
	BiH Presidency member – Ilijaz Pilav, from RS.
	Serb candidates are SDP Jugoslav Jovicic , SDS
	Mladen Bosic, PDP Zoran Tesanovic, Peoples Party
	'Radom za Boljitak' <mark>Ranko Bakic</mark> , SNSD <mark>Nebojsa</mark>
	Radmanovic, DEPOS Nedjo Djuric, SRS Vojislav
	Seselj Radislav Kanjeric, Patriotic Block Slavko
	Dragicevic plus three independent candidates. SDP
	Zeljko Komsic, Peoples Party 'Radom za Boljitak'
	Mladen Lijanovic Ivankovic, HDZ 1990 Bozo Ljubic,
	HDZ-Croat Coalition-HNZ Ivo Miro Jovic will run
	for Croat member of BiH Presidency.
DL op-ed: BiH	Dnevni List, pg 2 'Taking steps that keep us away
politicians	from EU', by <u>Resad Dautefendic</u> – the author is
doing	very critical of several BiH politicians, foremost
everything to	senior officials coming from the RS such as BiH
keep us away from EU	Presidency member Borislav Paravac , Foreign
	Minister Mladen Ivanic, RS President Dragan Cavic,
	and especially the RS PM Milorad Dodik, for having
	<pre>'mouth full of promises' that they are for BiH getting closer to the EU, whilst in reality,</pre>
	<u>Dautefendic</u> believes, they are doing everything to
	keep BiH away from democracy, rule of law and
	justice. In addition to the listed politicians,
	<u>Dautefendic</u> says BiH is in for bleak future
	considering that 'destroyers of constitutional
	changes Haris Silajdzic, Martin Raguz and others'
	are fighting for another term in the office.
L	

OHR BiH MEDIA ROUND-UP

Latest radio news broadcast at 12.00 on 5 July

RADIO HERCEG-BOSNA	BH Radio 1 (12,00 hrs)	RTRS (12,00 hrs)
(12,00 hrs)		
No news broadcast due	FBiH HoR postpones vote	No news due to
to strike		technical difficulties
	RSNA continues session	
	Plavsic testifies in	
	Krajisnik case	

TV news broadcast on July 4

RADIO HERCEG-BOSNA (18,00 hrs)	TV PINK (18,00 hrs)	BHT 1 (19,00 hrs)
No news broadcast due to strike	HR insists on decision on AFBiH	Heart Centre to be opened
	HR on Dixon's mandate	RS NA in session
	Estonian Minister visits BiH	FBIH HoR in session
	Humphreys meets Cavic in BL	BIH Court Prosecution on Jelavic

NTV Hayat (19,00 hrs)	FTV (19,30 hrs)	RTRS (19,30 hrs)
Audit of the work of BiH institutions	Heart Centre to be opened	RS NA in session
OHR, Presidency on BH	Issue of employment in	Live report from RS NA
armed forces	Ze-Do	session
Law on the Rights and	Privatisation of	Dodik on veterans and
Duties of MPs	Energopetrol at halt	war disabled

Oslobodjenje	List of 'disabled' veterans includes even those who weren't in Army?! [Audit of disability]
Dnevni Avaz	We have no election favorites [Ambassador McElhaney]
Dnevni List	DNA analysis identifies sharpshooter (murder case in Ljubuski)
Vecernji List	Tudjman wanted to annex Herzegovina (J. Manolic testifies in the Hague)
Slobodna Dalmacija	Covic appoints his lawyer head of Mostar hospital
Nezavisne Novine	BiH needs Agreement, not Resolution
Glas Srpske	Rights before duties (RS NA session)
EuroBlic	Pension after only one mandate (RS NA session)
Vecernje novosti	Features Serbian related topics

LATEST NEWS OF TODAY

FBiH HoR	BH Radio – Upon proposal of Chair of FBiH
postpones	House of Representatives, Muhamed
vote on	Ibrahimovic, FBiH HoR postponed vote on
proposal Law	proposal Law on lowest net hourly wages
on lowest	until further notice. Ibrahimovic
net hourly	postponed the vote, until the one more
wage	attempt is made, so that an optimal
	solution would be found. Before voting on
	Draft Law on Income Tax, FBiH Finance
	Ministry presented a graphic chart with
	comparative data. In graphic presentation,
	Deputy FBiH Finance Minister Hajrudin
	Hadzimehanovic once again repeated that
	the Draft Law on Income Tax is foreseeing
	60% less taxes for majority of citizens,
	in comparison to current taxes.
RSNA	BH Radio – RS National Assembly continued
Continues	the session and MPs have passed the
session;	amendments to Law on providing security to
discussion	persons and property and private detective
on	sector. The RS Government foresaw by these
	amendments that frame of services is
	limited to service providing to solely
	"third subjects", but legal acts are
	enabling the Government to establish the
	public company, which could perform
	securing of state institutions and would
	have operative authorities of RS Interior
	Ministry. SDA MPs objected to this
	proposal, concerned by danger of
	"establishing of a parallel police
	structure". After consulting with the RS
	Interior Ministry Stanislav Cadjo, SDA MPs
	decided to support the proposal. RSNA
	passed draft Laws on Securities' Market
	and Investment Funds without discussion.
L	

Plavsic	BH Radio – Former RS President Biljana
testifies in	Plavsic, this morning started her
Krajisnik	testimony in case against Law on providing
case	security to persons and property and
	private detective sector Momcilo Krajisnik
	in ICTY. Plavsic, who is sentenced to 11
	years by ICTY because of war crimes, after
	pleading guilty, responded to Prosecutor's
	demand and presented her testimony. Former
	RS NA Speaker, Krajisnik is indicted
	because of war crimes over non-Serb
	citizens in BiH.

War crimes/judicary

Josip Manolic (former Croatian PM) testifies in Hague, accuses Tudjman of trying to bring about secession of Herzegovina

Dnevni List pg 56 'Manolic accuses Tudjman and "Herzegovina lobby"' by <u>HINA</u> – <u>HINA</u> reports on yesterday's hearing in the trial of 'Herceg-Bosna' six and the testimony of wartime Croatian PM Josip Manolic. Manolic said that late Croatian President Franjo Tudiman wanted to annex Herzegovina to Croatia that, as Manolic says, was the reason he left HDZ. According to him, Tudjman's politics in BiH was implemented by the "Herzegovina lobby" comprising late Croatian defense Minister Goiko Susak, former high HDZ officials Vice Vukojevic and Ivic Pasalic, Mate Boban [late president of "Herceg-Bosna"], Dario Kordic [high HVO officer in central Bosnia] as well as the six H-B officials currently on trial in the Hague. Manolic confirmed that there was a secret and undocumented Croatian military presence in BiH which should not be held against Croatia but against Tudjman and Susak. Vecernji List cover splash & pg 11 'Tudjman wanted to annex Herzegovina' by H, Slobodna Dalmacija pg 2 'It is not Croatia that should not be blamed but Tudjman and Susak' by Ines Sabalic, Dnevni Avaz pg 12 'Creation of Herceg-Bosna is greatest Tudjman's mistake' by Sense, Oslobodjenje pg 7 'I told Tudjman it is not clever to touch Bosnia' by Sense also reported.

Abazovic case is not yet completed due to engagement of many institutions	<pre>EuroBlic pg RS5 'Half year without truth' by <u>Tijana Veselinovic-</u> District Prosecutor East Sarajevo Rajko Colovic told daily that investigation in Abazovic case (on 5th January EUFOR to arrest war crimes indictee Dragomir Abazovic, on this occasion his wife Rada Abazovic was killed, while Dragomir and his son Dragoljub were injured) is taking long time due to engagement of many institutions and expert witnesses. Abazovic's attorney Dusko Tomic could not believe that investigation deadline, which expires on Wednesday, will be extended, adding that all necessary proofs and expert witnesses' opinions were presented on time and Prosecution had time to complete the case.</pre>
BiH Court brought new	Nezavisne Novine pg 3 'New indictment against Jankovic' by <u>A.Dj</u> BiH Court
indictment	
	confirmed it expanded indictment against
against Gojko	Gojko Jankovic, holding him responsible
Jankovic	for the crimes against humanity committed
	in 1992 and 1993 in Foca.

Standard on sentence against Naser Oric: ICTY has great impact on politics in both Serbia and BiH; sentence is strengthening right-radicals

Der Standard 'Three ways of interpreting the verdict' by Andrej Ivanji - Commenting ICTY verdict against the wartime Srebrenica commander Naser Oric[sentenced to two years and released immediately as he spent 3 years in ICTY detention centre], article carries that such 'mild verdict' can be interpreted in three different ways. First possibility is that ICTY Chief Prosecutor Carla del Ponte did a lousy job, not being able to prove his quilt. Second option is that the Tribunal, as most of Serbs believe, is politically influenced and does not want to disturb the black-and-white image of a criminal and a victim in BiH. Third choice is that Oric is de facto innocent. <u>Ivanji</u> comments that if later is the case "who is then supposed to be called for responsibility for the crimes committed against Serbs in Srebrenica region? Del Ponte has no alternative to Oric. If no one is however convicted for killing, torturing and expulsion of Serb civilians in the symbolically so important Srebrenica, how could then the pro-European forces in Serbia bring Serbs to admit their own guilt and turn to the European future? ICTY does not help them in any way." Author concludes that ICTY has great impact on politics in both Serbia and BiH, adding that it is irresponsible to use youth as an alibi for the alleged war crimes, thus strengthening right-radicals, the anti-European forces.

GS brings	Glas Srpski pg 2 'In jaws of double
statements	standards' by <u>M. Dizdar, V. Janjic</u> – Daily
saying ICTY	brings statements of officials from RS
has double	saying ICTY has double standards,
standards,	substantiating it with comparison between
comparing	verdicts pronounced against Naser Oric and
cases of Naser	Biljana Plavsic. Attorneys Krstan Simic,
Oric and	Nebojsa Pantic and Miroslav Mikes, BiH
Biljana	Minister Branko Dokic, sociologist Ivan
Plavsic	Sijakovic and BiH Ombudsman Vitomir
	Popovic believe that ICTY uses double
	standards and that Plavsic should be
	released from prison bearing in mind that
	Swedish legal system stipulates prisoners
	older than 75 years should be released
	from prison.

Political developments

Estonian	Nezavisne Novine pg 9 'Support to BiH on
Minister of	the European path' by <u>N. Krsman-</u> Estonian
Foreign Affairs	Minister of Foreign Affairs Urmas Paet
met with BiH	visited Sarajevo on Tuesday, where he had
officials:	separate meetings with BiH Presidency
Estonia will	Chair and member respectively Sulejman
support BiH way	Tihic and Borislav Paravac, BiH Council of
to EU and NATO	Ministers Chair Adnan Terzic and BiH
	Minister of Foreign Affairs Mladen
	<pre>Ivanic. Paet expressed support to the</pre>
	policy of "open doors" to the EU and NATO
	for countries that fulfill requirements.
	BiH officials informed Paet about reforms
	in BiH, stressing importance of the SAA
	signing. Paet said that Estonia supports
	reforms in BiH, offering Estonian
	experiences and help in this area.
	Vecernji list pg 2 'Improvement of
	economic cooperation between BiH and
	Estonia' by <u>ra</u> , Oslobodjenje pg 5 'Economy
	behind politics' — report on the meeting
	of BiH Foreign Minister Mladen Ivanic with
	his Estonian counterpart <mark>Umas Paet</mark> .

SDP condemned politicalNezavisne Novine pg 9 'Political manipulationsmanipulations regardingmanipulations regarding Resolution on BiH ' Signed,Oslobodjenje pg 4 'Manipulation about Council of Europe's Resolution' n Signed –SDP condemned "political manipulations" regarding recently passe	e s <u>ot</u>
manipulations regarding Resolution on BiH before PACEN.N., Fokus pg'Manipulations with th not signed,Oslobodjenje pg 4 'Manipulation about Council of Europe's Resolution' n 	e s <u>ot</u>
regarding Resolution on BiH before PACE BiH before PACE Resolution on BiH before PACE BiH before PACE Resolution on BiH ' <u>not</u> Signed,Oslobodjenje pg 4 'Manipulation about Council of Europe's Resolution' <u>n</u> Signed –SDP condemned "political manipulations" regarding recently passe	s ot
Resolution on BiH before PACEsigned,Oslobodjenje pg 4 'Manipulation about Council of Europe's Resolution' n signed -SDP condemned "political manipulations" regarding recently passe	<u>ot</u>
BiH before PACE about Council of Europe's Resolution' <u>n</u> <u>signed</u> —SDP condemned "political manipulations" regarding recently passe	<u>ot</u>
<u>signed</u> —SDP condemned "political manipulations" regarding recently passe	
manipulations" regarding recently passe	d
	d
Resolution on BiH before PACE. SDP stat	ed
that there are attempts of certain	
political parties to hide participatio	n
and get relieved of responsibility	
regarding economy collapse, high	
unemployment and bad tax policy.	
President of Nedeljni Telegraf pg 7 'It is too early	to
Institute of annul the DPA – BiH is still unstable'	-
European Regions Franz Schausberger, president of the	
Schausberger: Institute of European regions, says that	t
too early to the resolution of the Council of Europ	e
annul DPA or [PACE Resolution] was presented too ear	ly
abolish entities and at the moment it cannot be	
implemented. According to him, abolishme	nt
of entities could be seriously consider	ed
only in connection with the accession t	o
EU, and political, economic and structur	al
reforms should be implemented prior to)
this. "BiH needs to take a lead within a	he
state. In this case the changes could b	e
implemented only with consent of all	
national groups," Schausberger says,	
adding it is too early to annul the Day	on
Peace Agreement.	

Stability Pact Coordinator for SE Europe Busek: there will be no annulment of DPA, BiH Government needs to become independent

Nedeljni Telegrafpgs 6-7 'Bosnia facing civil war' by N. T.pg 7 Inset 'There is no annulment of the DPA - Bosnia government needs to become independent' - Erhard Busek, Stability Pact coordinator for South-eastern Europe, says it is not true that the DPA will be annulled. "The IC does not need to intervene often in BiH anymore and BiH authority should be more efficient and more responsible, and that will lead to a faster BiH progress in both economic and social context. That is the most important now. BiH should not be a black spot of the continent in the integrations with the IC, relations with Europe or in religious and economic context." Busek says that although it has been announced that OHR will close next year it does not mean the DPA will be annulled, but it is a step that will help BiH to become a state that functions thanks to engagement of its own institutions.

GROZD gathered	Hayat, BHT1, PINK, RTRS- 100,000 people in
100.000	80 BiH cities and municipalities so far
signatures for	supported the platform of the Civic
its platform	Organizing for Democracy [GROZD]
with list of 12	containing the list of 12 biggest problems
biggest problems	future authorities in BiH should
BiH should solve	immediately solve [opening 150,000 working
at once	places; minimal pension to be 250 KM;
	reduce costs of administration apparatus;
	decrease corruption; double foreign
	investments]. GROZD representatives claim
	that their goal is to collect 500,000
	signatures by mid-September. The platform
	will be forwarded to all political
	parties, independent candidates and
	coalitions, and those who accept it will
	be asked to explain how they intend to
	solve those 12 problems.
HSP Djapic-	Dnevni List pg 5 'Zubak for Parliament,
Jurisic / NHI	Jurisic for Presidency' by <u>Z. Jukic</u> – DL
coalition name	names candidates for October elections of
election	the coalition between HSP Djapic-Jurisic
candidates	and NHI: HSP President Dr. Zvonko Jurisic
	will run for the position of the Croat BiH
	Presidency member and NHI President
	Kresimir Zubak will be the list holder for
	state Parliament from Posavina electoral
	unit. Daily then gives the name of other
	list holders for the state, FBiH and
	cantonal parliaments.

BiH Helsinki	Oslobodjenje pg 8 'Pre-elections
Committee	atmosphere in BiH is just like before the
President	war' <u>by Onasa</u> — In an interview to Novi
Dizdarevic: Pre-	Sad-based daily 'Dnevnik', BiH Helsinki
elections	Committee President <mark>Srdjan Dizdarevic</mark>
atmosphere in	stated: "This year, atmosphere reminds on
BiH is just like	pre-war time. On getting into full swing
before the war	and those preparations for conflict. Very
	insensitive, whole political discourse is
	filled with intolerance, tries for
	ethnical homogenization and creation of
	fear from others'. Dizdarevic also
	stressed that OHR should remain in BiH for
	some more time until BiH authorities are
	ready to take over the responsibility.

NT presents two possible scenarios of future events in BiH: protests and unrests or RS referendum for joining Serbia Nedeljni Telegraf pgs 6-7 'Bosnia facing civil war' by N. T. - Nedeljni Telegraf analyses possible consequences of a number of latest developments of events in BiH and region [Montenegrin independence, RS PM Milorad Dodik's statements on possible holding of referendum in RS, adoption of

PACE Resolution, verdict of ICTY to Srebrenica wartime commander Naser Oric], and quotes anonymous source from Serbian

MoI as saying there is a possibility dissatisfied Serbs might start protesting in Banja Luka, which might lead to unrests

and spread to other towns in BiH. According to other scenario, supported by experts for international relations, RS might organise referendum with an aim to join Serbia, despite to opposing of the international community, and – in case this scenario turns to reality – Serbia would face an identical situation like the one from the beginning of 1990s and this would lead to a definite rift between Serbian PM Vojislav Kostunica and Serbian President Boris Tadic, since Kostunica's DSS would be willing to accept RS while Tadic's DS would strongly oppose.

Terzic meets German Parliamentarians	Adnan Terzic, met on Tuesday the representatives of German Parliament, lead by the Spokesperson of the Social-democrat
	Caucus Axel Schafer. Terzic informed them about reforms in BiH, stressing that primary goal is to create politically and economically sustainable state.
FBiH Parliament members inquire what happened with KM 16 million set aside for invalids out of last year's budget	<pre>Dnevni List pg 7 'Ministers play dumb' by Mensud Zorlak – DL writes about SDA and SDP caucus heads in FBiH Parliament trying to find out what happened with KM 15 million which was set aside for civilian disabled persons out of the last year's FBiH budget but now cannot be found in government's bank accounts. Radovan Vignjevic, FBiH Minister of labor and social welfare says that Finance Minister Dragan Vrankic is the only one who can say where the money is but the FBiH Finance Ministry responds that the Ministry for labor and social welfare failed to withdraw the money before 31 January 2006, which was how long the funds were reserved for this purpose. FBiH Parliament members have announced they will not give up their attempts to find out if the funds were re- directed elsewhere and for what purpose.</pre>

Audit Office of the Institutions of BiH prepared 41 reports on the work of BiH institutions in 2005; results of the audit of CIPS Directorate's work are negative

TV Hayat – Audit Office of the Institutions of BiH has prepared 41 reports on the work of BiH institutions in 2005. According to Hayat reporter, those reports will be available for public on the web site [www.revizija.gov.ba] on Wednesday evening. Hayat learns from unnamed sources that the results of the audit of CIPS Directorate's work are negative: inventory of property was not carried out in line with the rules, purchases were not carried out in line with the Public Procurement Law, while the budget of the Directorate, as well as the budget of the whole CIPS project was not created in an adequate way. In addition to that, financial reports are not complete and the previous recommendations of the Audit Office have not been completely implemented. Auditors also noticed inadequate planning of funds, which resulted in re-distribution and increase of budget funds.

Economic issues

Energopetrol:	FTV – Due to debts amounting 18 million
privatisation	KM, the process of 'Energopetrol'
at halt due	privatisation has been temporarily
to debt	stopped. HVB-Central Bank informed
	Energopetrol Director Namik Busatlic and
	FBiH Prime Minister Ahmet Hadzipasic that
	the bank has to protect its interests but
	claiming that the solution is still
	possible if the relevant authorities reach
	the needed decisions. Dnevni Avaz pg 3
	'Energopetrol accounts blocked' <u>by M.Kukan</u>
	 - 'Energopetrol' accounts are blocked due
	to debt, as anonymous FBiH Government
	official confirmed to the daily. The
	article reads that this is only the first
	<pre>step towards repossessing 'Energopetrol'</pre>
	property due to the mortgage.
SDA supports	Dnevni Avaz pg 3 'Means of selling BH
privatization	Telecom use for building highway' <u>by</u>
of BH	<u>E.Kalamujic</u> – At its Tuesday's session,
Telecom:	SDA collegium supported idea of
money should	privatization 'BH Telecom', adding that
be invested	means from the sell should be directed for
in highway	building highway. SDA Secretary General
	Amir Zukic told daily that the 'BH
	Telecom' management is ready to support
	such model of privatization.

Croatia	Jutarnji list pg 5 'Peljesac bridge will
offers	be 50 meters above sea' by <u>Kresimir Zabec</u>
compromise —	 JL reports that Croatian expert
Peljesac	commission on Peljesac bridge has stated
bridge to be	that Croatia will not give up construction
50 m above	of the Peljesac bridge but has made a
sea	compromise proposal to its BiH
	counterparts according to which the bridge
	will be a suspended one and elevated at 50
	meters above the sea level [following
	BiH's request to enable free maritime
	communication to Neum]. Croatian Minister
	of Transport Bozidar Kalmeta said Croatian
	Government is determined construction
	should start in the spring of next year.