

# OHR BiH Media Round-up, 6/3/3003

CROAT RADIO HERCEG-BOSNA (18,00 hrs)	BH TV 1 (19,00 hrs)	FED TV (19,30 hrs)	RT RS (19,30)
OHR on HB Elektroprivreda	BiH – Croatia Agreement	OHR on HB EP	Privatisation of RS EP
HB EP denies claims	Three RS parties on CoM	HB EP denies revision	OHR on RTRS Law
Picula and Ivanic	HB Elektroprivreda	OHR on RS EP	BiH HoR on IDs, Bulldozer
AI on missing persons	Suicidal attack in Haifa	EU – 127 million KM	Picula and Ivanic

<b>Oslobodjenje</b>	I did not fight for BiH as it is today; ‘Sloboda’ to Srebrenica women; HB EP – consumers paid electricity to HDZ tycoons; BiH and Croatia on Ploca port – there will be no foreigner in administration; Near Trebinje – 125 kg of drugs confiscated
<b>Dnevni Avaz</b>	Loans for veterans’ flats – the Foundation already denied 1,200 requests; Sead Kikic withdrawing from candidacy?; HB EP – Auditor publicly naming Covic, Behmen and Prlic; Djikic – Lagumdzija gave a diplomatic passport to Kacavenda
<b>Dnevni List</b>	Hays presented special report for the EP CC HB – the EP CC HB was serving as bank to the HDZ BiH?; An Agreement on local border zone traffic and co-operation between BiH and Croatia signed

<b>Vecernji List</b>	Drvar – after attack against a Croat boy, Serbs were protesting in streets – Croats go away, this is our city; The OHR results of public company's work – the EP CC HB was financing the HDZ?
<b>Slobodna Dalmacija</b>	The OHR accuses HDZ officials for robbery of the EP CC HB – citizens were paying bills, bosses were taking money; The EP CC HB Management – everything was staged in order to sell the company for peanuts
<b>Glas Srpski</b>	No delay in the implementation of the Rule Book on Market – Filling of state cash register
<b>Nezavisne Novine</b>	OHR presented report on the Herceg Bosna EP – manipulations of donations and contracts worth millions; Tonino Picula in Sarajevo – Croatia and BiH signed the Agreement on Border Traffic; Following RS NA decision to seat the Regulatory Power Agency in Trebinje – new RS EP Director and his assistant would not go to Trebinje
<b>Blic</b>	The embezzlement of millions of KM; Ashdown – the world is less and less interested in BiH; Hays – the HDZ involved in stealing of 50 million KM; Solana – the EU troops will take over from SFOR

## Herceg-Bosna Elektroprivreda

<p><b>Hays presented audit report</b></p>	<p>Avaz pg. 4 'HDZ politicians did not even pay their private electricity bills' – on yesterday's press conference where PDHR Donald Hays presented results of the audit report conducted by the Special Auditor Team in the HB EP. Hays said the HDZ used the HB EP as 'their own bank', and only in the course of 2001 the total loss amounts to 50 million KM. As in the case of the Hercegovacka Bank, the HDZ profited from the possibilities of manipulating donations and money transfers. Added that certain HDZ individuals stopped paying their private electricity bills. Hays however added that the HDZ was not the only side that profited from the HB EP. He also added to the list the HVO, 'Elektrobosna' and 'Vitezit' that kept accumulating debts, which they never intended to pay back. PDHR further announced that HR Ashdown would present his views on the issue. Oslobodjenje pg. 1, 4 and 5 – Hays emphasized the audit report was not aimed against the HDZ, that used many companies to try and realize their idea of the third entity. The daily quoted Hays as saying that just like in the case of the RS EP, HR would decide whether the HB EP heads would be removed. Nezavisne Novine pg. 1 and 2, Glas Srpski pg. 2 'Citizens pay losses' – according to Hays, 'citizens of the Federation and Mostar did not benefit. On the other hand, those with political connections have never paid electricity bills. Conclusively, only 55% of the used power was paid'. Hays announced that this report would also be forwarded to judicial institutions for proper investigation. Blic pg. 7 'The EPHB as a bank of HDZ' – according to Hays, the audit represents a 'dull story about mismanagement, conflict of interests and strong crime acts, the consequences of which are losses of revenues.</p>
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**CRO press on  
the report**

With regard to the issue of the Eletroprivreda of Croat Community of Herceg Bosna audit report (EP CC HB), Vecernji List pg. 1 and 3, Dnevni List pg. 1 and 5, Slobodna Dalmacija pg. 1 and 15 and Jutarnji List pg. 6 'Companies were not paying electricity to HDZ BiH' – PDHR

Hays stated that only in 2001 embezzlements amounted to 50 million KM and that there were persons, institutions and companies which were not paying electricity bills for years. Hays also said that similar to the case of Hercegovacka Bank, the EP CC HB was serving as a sort of a cash-box for financing of the HDZ and persons with strong political connections. Hays concluded that the EP CC HB had suspicious business dealings with companies that were directly connected to the HDZ and these companies were 'Antonio-Trade', 'Meteor', 'Soko' and 'Mondo'. With regard to this report, an extraordinary press conference of the EP CC HB Management yesterday was held. Head of the General Manager's Office, Marko Loncar, admitted that problems related to the collection were obvious. According to Head of the Distribution Department, Bozidar Jovanovic, it is about registered debts, which were not written off, and people from the EP CC HB were convinced that they would charge them. With regard to the accusation that they were the HDZ's cash-box, representatives of the company stated that this was not true, however, that they were helping Croat institutions that had special importance such as the University in Mostar, cantonal offices for Issues of Homeland War Defenders, Red Cross etc. In addition, VL carries that the HDZ will declare its stand on the EP CC HB audit results today at the session of the Federation government. VL quotes an HDZ official, who wanted to stay anonymous.

"It simply does not make any sense to mention the HDZ in a context of the EP CC HB business and obviously the goal of the report itself is something else." DL and SD carry that High Representative Paddy Ashdown announced new restrictive measures this time in the EP CC HB 'where during the last five years no one from the HDZ paid a single KM for the electricity'.

<b>Covic, Behmen and Prlic</b>	<p>Avaz pg. 1 and 4 – the latest report on the business dealings of the HB EP publicly names several officials involved in the mismanagement – Dragan Covic (BiH Presidency member), Alija Behmen (former Federation PM) and Jadranko Prlic (former Foreign Minister and Deputy Minister of Foreign Trade and Economic relations). The dailies describe in more details the role three had in the mismanaging of the company.</p>
<b>Prlic's reaction</b>	<p>Avaz pg. 4 'I worked for the HB EP' – Jadranko Prlic confirmed that he was indeed contacted by people from the HB EP who requested consulting services from him. According to Prlic he provided the requested service, but never received any payment for the same. "I certainly hope they won't forget me and will pay me for the services I provided them with." Dragan Covic yesterday refused to comment on allegations of his involvement in the affair.</p>
<b>HB EP</b>	<p>Avaz pg. 4 'The money given to institutions of importance' – Chief of the HB EP General Director's Office, Marko Loncar, stated at yesterday's press conf that the HB EP worked legally. As for the report claims that the HDZ used the HB EP as their 'private bank', Loncar denied the claims and said that no donations were given to either the HDZ or companies like 'Mont' and 'Soko' from Mostar.</p> <p>Oslobodjenje pg. 5 'HB EP did not make donations to the hDZ' – Loncar said they were surprised the with the draft revision. "This is not the case of embezzlement, robbery and theft, as some media announced," said Loncar. He denied that they gave donations to the HDZ, and added they had documents to confirm it.</p>

<p><b>Commentary in Oslobodjenje</b></p>	<p>Oslobodjenje pg. 2 'What are you waiting for Paddy?' by <u>Daniel Omeragic</u> – a short commentary on the revisions of both the RS EP and the HB EP. Omeragic recalls that that once the RS EP report was out the only thing the HR did was to remove the company director. "It all ended with the removal of RS EP Director Svetozar Acimovic and a request for an urgent investigation on business dealings in order for such things not to repeat again." The author then switches to the revision of the HB EP and concludes that it is not difficult to conclude that yet another 'director' will be out of the post. "And it will end on that unless HR Paddy Ashdown decides otherwise. His address has been announced for today in the light of the report on the HB EP activities. It is expected from him to answer the key question – how come the SDS and HDZ can remain in power following the discoveries of them being financed from money taken from citizens. It will be interesting to follow and see what happens with a report on the business dealings of the BiH Elektroprivreda, that is to be announced in the next few days."</p>
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<p><b>Political Affairs</b></p>	
<p><b>Lozancic on Kikic's appointment</b></p>	<p>Avaz pg. 1 and 2 – Niko Lozancic, Federation President, said he would not make a decision on the appointment of Sead Kikic as the new FOSS Director until he completed consultations with several ambassadors in BiH, OHR reps and FBiH PM Ahmet Hadzipasic. Reminded that this was not the matter for foreign ambassadors to get involved in, Lozancic concluded that there were many matters that, according to the Constitution and laws, did not include the involvement of the international factor yet they could not be resolved without them.</p>

<p><b>Tihic on Kikic's appointment</b></p>	<p>Avaz pg. 2 'I will not withdraw nomination for the first man of FOSS' – statement by Sulejman Tihic. He rejected the possibility of nominating someone else for the position of the FOSS Director. He said he knew of US Ambassador Bond's negative attitude regarding Kikic's appointment, but reasons he gave for it were not grounded and were based on information forwarded to them by removed FOSS Director Munir Alibabic. As for Lozancic's idea to establish a special commission that should find the solution, Tihic said that Lozancic knows the procedure and not special commission is included.</p>
<p><b>Kikic giving up the candidacy?</b></p>	<p>Avaz pg. 2 'Kikic giving up the candidacy?' – according to Avaz's sources, Kikic will send a letter today to Tihic informing him that would withdraw from the candidacy for the FOSS Director. More about his decision should be known in the next few days.</p>

<p><b>Picula – Ivanic</b></p>	<p>Avaz pg. 2 'An agreement that will benefit half a million people' – on yesterday's meeting of Croatian Foreign Minister, Tonino Picula, and BiH Foreign Minister, Mladen Ivanic. They signed the Agreement on border traffic between the two countries and annexes on the Agreement on joint locations at three border crossings. Also, agreed to speed up the process of solving the issue of Ploca port and possibilities of promoting and improving bilateral relationship between the two countries. Picula yesterday also met with Presidency members – Mirko Sarovic and Dragan Covic. Oslobodjenje pg. 1 and 3 – announced that there would be no international member in the Expert Commission (including three BiH and three Croatian members), which should solve the issue of the Ploce port. Dnevni List pg. 1 and 3 – according to Minister Picula, signing of the Agreement and the annexes represents a new stage in the relationship between the two countries. "Borders are no longer perceived as a problem, they would not be porous any more. Around half a million citizens will benefit from the Agreement," said Ivanic adding that, in general, an agreement was reached about the administration over the Ploce Port. Vecernji List pg. 15 'Sarajevo giving in dispute regarding Ploce' and Slobodna Dalmacija first and last page – also reported on the meeting. Blic pg. 2 'Borders are not the problem' – Picula said this was a new phase of relations between BiH and Croatia was starting. Dnevni List pg. 1 and 7 – claims there is another dimension to Picula's visit to BiH, and it's in connection to Croatia's recent application to join the EU. In order to join the EU, Croatia has to meet many requirements, including the arrest of war criminals indicted by the ICTY. In that context, DL links media reports that an ICTY renegade General Ante Gotovina sometime uses BiH as shelter saying that Picula will hold a separate meeting with a Croat member of the BiH Presidency, Dragan Covic, when he will ask his help in catching Gotovina.</p>
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<p><b>Ashdown in Brcko</b></p>	<p>Avaz pg. 3 'Brcko becoming a good example for BiH' – HR Paddy Ashdown visited Brcko yesterday where he met with heads of the city, reps from the Brcko Assembly, returnees and young businessmen. "When the rest of the country would do what had been done here, BiH would be much more developed," said Ashdown. With Brcko Supervisor Henry Clarke and Brcko Mayor Sinisa Kistic, HR Ashdown visited Brcko border crossing where he met with heads of the Tax and Customs Administration office.</p> <p>Vecernji List pg. 4 'Paddy Ashdwn in Brcko'' and Dnevni List pg. 2 'BiH is only lacking time' – the HR addressed representatives of the Brcko District Interim Assembly. "BiH has resources, gifted people but it does not have time and for this reason it has to speed up the reforms." The HR also visited the Brcko border crossing and talked about the issue of re-opening of the Sava bridge for traffic of high-tariff goods. Ashdown stated that he discussed this issue with Croatian Foreign Minister Tonino Picula.</p> <p>Nezavisne Novine pg. 5 'BiH only lacks in time', Glas Srpski pg. 3 'Ashdown visited Brcko' – same as the above reports. Blic pg. 7 'They steal from the poor' – HR Ashdown warned BiH must turn to domestic resources since the interest for BiH in the world is decreasing. Speaking about Brcko District's project, Ashdown said that there was more work to be done, but Brcko, which used to be a black hole in BiH, had become a model for BiH. FTV1 News at 19:00 – "BiH is facing the economic collapse and the only way out are economic reforms and fight against corruption. Authorities are corrupted and budgets lose 1,2 billion KM every year," Ashdown stated.</p>
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<p><b>BiH HoR session</b></p>	<p>Avaz pg. 8 'Five reps started an initiative for the vote of no confidence to the CoM' – during yesterday's session of the BiH HoR five reps from the SNSD, SPRS and SR submitted an initiative for the vote of no confidence to the CoM. The reason being the CoM's deception of public in relation to the CIPS project. Reps mainly discussed the suggestion of transferring the HQ of the State Regulatory Agency for Electricity from Sarajevo to Tuzla. The opposition was objecting the appointment of reps to the parliamentary commission at the international organizations claiming they were not represented enough in the commissions. Amongst others, adopted the Law on Citizenship that was recently proclaimed by the HR. An insert – 14 reps started an initiative on holding a special session to discuss the Bulldozer Commission suggestions. Oslobođenje pg. 6 'Adopted draft law on monitoring the quality of goods' – pretty much the same report as in Avaz. Also a separate insert informing of a special session dedicated to the Bulldozer Commissions suggestions. Dnevni List pg. 7 'The recommendations of the Bulldozer Commission on hold?' – 14 BiH HoR MPs from the SDP, BOSS, Work for Progress, DNZ, SNSD, SPRS, SRS RS, NHI and Pensioners Party requested a special session of the chamber to discuss the information and plan activities regarding the recommendations suggested by the Bulldozer Commission.</p>
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<p><b>Mikerevic – Gregorian</b></p>	<p>Avaz pg. 12 'The US will not support the investing in RS until Karadzic was arrested' – yesterday's meeting between RS PM Dragan Mikerevic and US State Department Chief of Section for South and Central Europe, Raffi Gregorian. The US rep stated that he saw no way of supporting further investments in the RS until Karadzic was arrested. The two also talked about the 'Orao' affair. Nezavisne Novine pg. 3 'Karadzic and Orao impede relations between the US and RS', Glas Srpski pg. 3 'A bait for investors' – Gregorian further noted that the HR and SFOR Commander were not satisfied with the latest report on the 'Orao' filed by Dragan Cavic RS President. According to him, it is not in the US interest that those responsible are penalised, but rather that the investigation is completed. Mikerevic stated the RS government was interested in bringing the issue of the 'Orao' affair to its end. Yesterday afternoon, Gregorian also met with Milorad Dodik SNSD leader. Blic pg. 3 'Karadzic is the main obstacle to progress', Nacional pg. 6 'Karadzic and weapon trade obstacles to cooperation between US and RS' – Gregorian said after talks with RS Prime Minister Mikerevic that the main obstacles to realisation of reforms in the RS, as well as in relations with the United States, were the illegal sale of weapons to Iraq as well as the fact that the indicted war crime suspect, Radovan Karadzic, was still at large. Dnevni List pg. 3 'The international community unhappy with report on Orao' – on the meeting.</p>
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<p><b>RS EP</b></p>	<p>Avaz pg. 12 'Dusan Mijatovic refused to take over the RS EP Acting Director post' – the newly appointed RS EP Acting Director, Dusan Mijatovic, informed RS PM Dragan Mikerevic that he would not take over the post following a decision by the RS NA to move the HQ of the Regulatory Agency for Electricity to Trebinje. Nezavisne Novine pg. 1 and 3 – Mijatovi yesterday informed RS Prime Minister, Dragan Mikerevic, that he and his assistant, Milenko Cvijanovic, would not assume their duties at the RS EP in Trebinje. Their decision followed decree passed by the RS NA to move the HQ of the Regulatory Agency for Power in Trebinje. Blic pg. 2 'Mijatovic does not want to go to Trebinje', Nacional pg. 11 'Mijatovic does not accept offered post?' – "The RS government thinks that currently is more important to restructure the Elektroprivreda because the bigger problem is in the management than in the privatisation," RS Prime Minister, Dragan Mikerevic, said refusing to comment Mijatovic's resignation. Asked about Minister of Energy Milan Bogicevic's letter, Mikerevic said that he was not interested in ministers' letters, which he did not read due to the lack of time, adding that the government's decisions were important and not some minister's opinions.</p>
<p><b>RS EP personnel</b></p>	<p>Nezavisne Novine pg. 5 'The RS EP leading officials have private firms with similar work' – according to an NN source at the RS EP, people who have registered their private firms that are competitors to the EP in this field were appointed to assume most senior positions at the RS EP. According to the same source, Gojko Prastalo, most senior official at RS EP in Banja Luka and SDS member, registered his private firm in Serb Sanski Most. All leading officials at the RS EP in Banja Luka are SDS members. Those are – Director Slavko Kopuz, Dusan Krcum, Assistant to Director for Technical Issues, and Luka Curkovic, Assistant to Director for Economic Affairs.</p>

<p><b>Hays on RS EP</b></p>	<p>Nacional pg. 11 'Hays positively praises Mikerevic's actions' – PDHR Donald Hays assessed that urgent measures undertaken by RS Prime Minister Dragan Mikerevic in regard to solving the EPRS problem were of positive nature. At a press conference in Sarajevo, Hays commended the actions performed by Mikerevic. He described as nonsense allegations that the international community used the auditor's report to reduce the value of the company in order to be sold easier.</p>
<p><b>Protests in Drvar</b></p>	<p>Vecernji List pg. 1 and 3 – some two hundred Drvar Serbs, including students of the Drvar Elementary School, yesterday protested on the streets of Drvar shouting nationalistic slogans against the Croats. According to VL, it is a result of an incident that occurred on Monday when, reportedly, three Serb pupils beat up a Croat pupil and the local Serbs claim that the father of the beaten Croat in fact beat up the three Serb pupils. According to the father of the Croat pupil, Miroslav Frankic, his son was teased and subsequently beat up, which triggered him to go to the school and take the pupil who hit his son to the principal's office. "Everything has been politically staged before," said Frankic, who took his son to the hospital where he was diagnosed with head and shoulder injuries.</p>

<b>DL editorial</b>	<p>Dnevni List pg. 2 by <u>Slobodan Kuzman</u></p> <p>‘Waiting for Ashdown’s verdict’ – an editorial in which the author says that the ‘unnatural alliance between the OHR and national parties SDS-HDZ-SDA is beginning to break up’. In that context, Kuzman says that Seada Palavric, ‘a known SDA hawk’, goes against HR Paddy Ashdown accusing him of imposing solutions without consulting the local authorities and preventing ministers from working in the their full capacities as well as analysing every move of the government. “A motive behind the SDA attacks on the OHR could be found in the fact that a report on the Elektroprivreda of BiH should be published soon, the report that could clearly define criminal within the house under the auspices of the party,” said Kuzman. The author also doubts that the three parties will carry out reforms that should enable BiH companies to be more efficient, which will force Ashdown to impose more regulations. Kuzman goes one better, saying that some believe that Ashdown will, once the deadline of 39 days has expired, organize new elections. According to Kuzman, the new elections would create a vacuum that could last for more than a year, which will enable Ashdown to introduce a hidden protectorate.</p>
<b>Braithwaite on ‘Orao’</b>	<p>Nezavisne Novine pg. 3 ‘Names of those responsible for the Orao affair would be revealed at the end of March’ – Julian Braithwaite, OHR Chief Spokesperson, yesterday told FoNet Agency that the OHR would make a decision (regarding eventual responsibility of those involved in the Orao affair) after the session of the Peace Implementation Council. The session is to take place on 28 March in Brussels. He added that by making a decision on this matter, the OHR would bear two things in mind – the political responsibility and systematic violations in order to prevent such violations from taking place in the future.</p>

<b>Mikes</b>	<p>Nezavisne Novine pg. 7 'Those involved in affairs must go to prison' – Miroslav Mikes, Vice President of the RS Socialist Party, yesterday warned that those responsible for affairs at firms of strategic interest had to be criminally prosecuted. "The resignations of senior officials at firms, where affairs have been disclosed, are not sufficient. They should go to jail. The trials against them must be rapid, fair and efficient." He further confirmed that Milutin Pejic, former Director General at the Srpske Poste and member of the SPRS, filed his resignation to this position owing to an enormous pressures exerted against him by members of the Steering Board of the Srpske Poste.</p>
<b>Benes</b>	<p>Dnevni List pg. 13 'It is necessary to improve general security situation' and Slobodna Dalmacija pg. 18 'MoI favors speculations' – during yesterday's press conference of the international organizations seated in Mostar, representatives of all IOs condemned the recent incident in Mostar and expressed their condolences to the Hrnjcic family. OHR Spokesperson, Avis Benes, stated that High Representative Paddy Ashdown supported the appeal of the BiH Presidency to conduct a thorough investigation on each individual case in order to bring responsible ones to justice. "On Monday, March 03, Deputy High Representative and Head of the OHR South, Ambassador Jean-Pierre Bercot, held a meeting with the cantonal Minister of Interior and his Deputy and appealed to them to increase their efforts in order to present the public with a full report on the mentioned case." DL says that with regard to the Elektroprivreda of Croat Community of Herceg Bosna audit report, Avis Benes stressed that in 2001 the loss amounted to 50 million KM.</p>

## Economic Affairs

<b>Bajolet – Kalinic</b>	Avaz pg. 10 'Find the most optimal model for the introduction of VAT' – yesterday's meeting of French Ambassador in BiH, Bernard Bajolet, and RS NA Speaker Dragan Kalinic. They spoke of the future activities in finding the most optimal model for the introduction of the VAT, as well as the reform of customs on the state level. Bajolet yesterday also met with RS President Dragan Cavic.
<b>NN editorial</b>	Nezavisne Novine pg. 2 by <u>Slavo Kukic</u> 'Audit Bogeyman' – the author is actually supportive of the most recent actions by the HR, namely those concerning audits at the Kristal Banka, RS EP and Herceg Bosna EP. He concluded the editorial by saying that Mister Ashdown enabled something that no one before him even tried. He enabled for many negative things surface and public became aware of them.
<b>World Association of BiH Diaspora</b>	Dnevni List pg. 8 'Satisfaction with action of the Bulldozer Commission' – the World Association of BiH Diaspora sent a letter to HR Paddy Ashdown expressing satisfaction with the work of the Bulldozer Commission. "The World Association of BiH Diaspora is extremely pleased with the information that the Bulldozer Commission has prepared a detailed proposal of economic reforms which would finally make BiH more attractive to investors," reads the letter.



**Pastuovic on  
RTRS Law**

Nezavisne Novine pg. 6 'No need for changes of the RTRS Law', Glas Srpski pg. 2 'Director in line with the Law' – Sonja Pastuovic, Spokesperson of the OHR Regional Office in Banja Luka, yesterday welcomed the adoption of the Law on RTRS by the RS NA. She is of the view that there is no need for any further change to this Law. As far as the appointment of Dragan Davidovic, RTRS Director General, is concerned, she noted the RTRS Steering Board acted in accordance with the Law on Appointments. "Eventual amendments to this Law will be reviewed by the OHR, and such amendments should be in accordance with the legal framework on public broadcasting in BiH." Blic pg. 7, Nacional pg. 11 – she stressed that the Steering Board and not politicians were responsible for managing the RTRS and warned that that OHR saw no reason for making changes to the RTRS Law.

**International Community Affairs**

<b>AI request</b>	<p>Vecernji List pg. 4 'Special Service for missing persons' and Dnevni List pg. 8 'Reveal destiny of missing persons from BiH' – the Amnesty International demands from the BiH authorities to take measures in order to reveal destiny of 27,000 missing persons seven and a half years after the war ended. This organization believes that this number of missing persons is probably among the highest in the world. In their report, the Amnesty International calls on the international community to establish a special police body, which would deal with the investigations of missing persons' cases.</p>
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