

# OHR BiH Media Round-up, 7/5/2003

| CROAT RADIO<br>HERCEG-BOSNA<br>(18,00 hrs)   | BH TV 1 (19,00<br>hrs)   | FED TV (19,30<br>hrs)  | RT RS (19,30)  |
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| OHR announces establishment of commission for reform of defence system by the end of this week | Momir Nikolic pleads guilty for massacre in Srebrenica                       | Beneficiaries of BiH institutions for mentally disabled persons are victims of political divisions | Extreme drought threatens agriculture production in RS         |
| Odzak farmers demand proclamation of State of Elementary Accident                              | Due to draught, possible proclamation of State of Elementary Accident in BiH | ICTY prosecutor made deal with Momir Nikolic   | Good results in preventing of oil smuggling in RS              |
| In China, 25 persons under quarantine over SARS threat   | Amendment to the BiH Constitution – way towards joint military command       | Syndicates of Lukavac Coke Factory and Sarajevo Zrak Factory continue with strikes                 | SFOR finds weapon and ammunition in Celpak factory in Prijedor |

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|  | First general strike is underway in Austria | Million of Austrian workers in strike over pension system's reform | Before ICTY Momir Nikolic pleaded guilty |
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| <b>Oslobodjenje</b>       | Dragan Covic sold 18 Soko facilities for 900,000 KM  |
| <b>Dnevni Avaz</b>        | Ivan Vuksic: FOSS is searching for Munja's tapes   |
| <b>Dnevni List</b>        | Carla del Ponte looking searches for 13 more suspects, the rest to be tried in BiH   |
| <b>Vecernji List</b>      | Military service being abolished   |
| <b>Slobodna Dalmacija</b> | Registration plates for cars ran out   |
| <b>Glas Srpski</b>        | Criminal charges for illegal construction works in RS: Brick by brick – then prison; Pelagicevo: Fuel poured secretly?   |
| <b>Nezavisne Novine</b>   | On the eve of the publication of the list of persons from BiH, who will be banned from entering EU states: Milenko Vracar and Dragan Spasojevic under thorough investigation; Adil Osmanovic, RS Vice President: Bosniaks do not want to go to RS Army; SFOR searched "Celpak" firm in Prijedor: 21 guns and military equipment found; Boris Gaspar, RS Minister of Trade and Tourism: Black oil market detected in RS |
| <b>Blic</b>               | Drought threatens to destroy all crops in Srpska; Donald Hays: the RS authority must prevent robbery of citizens   |

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| <b>Affairs</b> |  |
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| <p><b>Oslobodjenje:<br/>Dragan Covic<br/>sold 18 Soko<br/>facilities for<br/>900,000 KM</b></p>   | <p>Oslobodjenje front page, pgs. 4-5 'Dragan Covic sold 18 Soko facilities for 900,000 KM' – A total of 18 facilities owned by the Mostar-based Soko Company were sold for shameful 900,000 KM through the process of small-scale privatisation in 2000. In purchasing the Soko business buildings, production facilities and storehouses participated the companies and the individuals who were directly linked with the Soko management team headed by the current Croat member of the BiH Presidency Dragan Covic.</p>  |
| <p><b>Ivan Vuksic:<br/>FOSS is<br/>searching for<br/>Munja's tapes</b></p>  | <p>Dnevni Avaz front page, pg. 2 'Ivan Vuksic: FOSS is searching for Munja's tapes' – The Federation Intelligence-Security Service (FOSS) will act in accordance to the law and undertake all necessary measures to come into possession of the tapes, if they exist, with the alleged conversation between Munir Munja Alibabic and certain Herceg-Bosna lawyers, who were offering him money for some intelligence services, according to acting FOSS Director Ivan Vuksic.</p>   |
| <p><b>Ivo Lozancic;<br/>Way in which the<br/>company owned by<br/>the Lagumdzija<br/>family enriched<br/>must be<br/>investigated</b></p> | <p>Dnevni Avaz pg. 3 'Ivo Lozancic; Way in which the company owned by the Lagumdzija family enriched must be investigated' – "I noticed in the press the facsimiles of the contracts on the basis of which Ars Creativa (company owned by Amila Lagumdzija, the wife of SDP leader Zlatko Lagumdzija) was getting jobs, and which clearly state there is no need to collect more bids. I have never been and I will never be for the persecution of people with different political opinion. However, I am for sanctioning of all who have committed any sort of crime," Niko Lozancic, the BiH Federation President, told the newspaper.</p> |

**OHR on RS  
Elektroprivreda  
issue**

Glas Srpski, page 3, 'Millions in somebody else's pockets' – Donald Hays, PDHR, stressed that OHR expects from the RS Government and leadership of the RS Elektroprivreda to increase the revenues, harmonise the procedure for signing of agreements with the existing laws and to remove all those involved in the firm capital decrease or those responsible for the bad financial management of the firm. According to Hays, international community will provide any assistance sought from the RS Government, aimed at serious implementation of the recommendations. PDHR also said that the RS Government should demonstrate its willingness to efficiently implement recommendations given by Chief Auditor and accordingly put an end to theft of resources at this firm. (Blic pg. 7 'To prevent robbery' – carries OHR press release in its entirety)

Nezavisne Novine, page 3, 'RS Government failed to implement orders' – Vedran Persic, OHR Spokesperson, stated that RS Prime Minister, Dragan Mikerevic, and RS Government failed to implement tasks, which OHR gave to them through Audit Report on RS Elektroprivreda. He also reminded of the obligations of the RS Government, out of which only one referring to removal of Steering and Supervision Boards at RS EP was respected and implemented.

Statement by Persic went on to add that: "The HiRep himself, at his recent address to RS MP's, confirmed that no steps were undertaken. At the meeting with the members of the RS Government in Doboj, Ambassador Hays warned them that they are faced with a challenge, and stressed that the Power Utilities of Herceg Bosna and BiH have commenced with the implementation of the recommendations from the Audit Reports.

Blic pg. 7 'MUP's tasks' – The RS Government has accepted a memorandum from the Interior Ministry on its criminal investigation into RS Elektroprivreda and measures taken by 9 April. The Government has ordered the Interior Ministry to provide a report in connection with Elektroprivreda for the last month.

Blic pg. 7 'Plan for Elektroprivreda adopted' – Spokesman of the RS Prime Minister Goran Radivojac says that at Monday's session the Government adopted the action plan for consolidation of RS Elektroprivreda which has 11 measures that Government has to implement and which has been sent to Hays.

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| <p><b>FBiH Ombudsmen criticize main Bosniak party for putting pressure on media</b></p> | <p>Oslobodjenje pg. 4 'An attempt to press on editorial policy' – The BiH Federation Ombudsmen, Vera Jovanovic, Esad Muhibic and Branka Raguz, have concluded that the letter to the BiH Federation Government, the parliamentary commission for information and the financial police which SDA deputies read out in the FBiH House of Representatives represents a serious breach of the media freedom, an attempt to put political pressure on the editorial policy of BiH Federation TV and an act of violation of international legal and democratic standards, which BiH has pledged to observe, a statement issued by the BiH Federation Ombudsmen says.</p> |
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| <p><b>Military matters/reforms</b></p> |  |
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| <p><b>Defence Reform</b></p> | <p>Dnevni Avaz pg. 2 'Commission for Defence Reforms start its work' – The Commission for Defence Reform, the establishment of which was announced by High Representative Paddy Ashdown following Orao and spying affairs in RS, will start its operations tomorrow, according to OHR Spokesman Mario Brkic. Brkic told a press conference in Sarajevo on Tuesday that the Commission would work on correcting serious failures in the system of civil and state control and command over the armed forces in order to prevent risk of imposition of sanctions against BiH by UN.</p> <p>Dnevni List page 9, "Commission for defense reform", also carries the statement.</p> <p>Vecernji List (front "Military service being abolished" and page 3 "Military service being abolished and number of soldiers to be cut down", by <u>Zdenko Jurilj</u>) says SFOR has, under a watchful eye of NATO military officials, prepared three versions of the future outlook of a joint BiH army. The first version envisions three nationally mixed brigades and a mixed HQ, the second one envisions a Serb brigade and two mixed Croat-Bosniak brigades and the third version, labeled by the daily as the most acceptable to the current authority, envisions three national brigades.</p> <p>Regarding the latter, the brigades would be commanded by an HQ whose composition would be determined by the national key.</p> <p>According to VL's source close to NATO, the future State Ministry of Defence would be run by one minister without a possibility of appointment of a deputy minister. Regarding the reports that COMSFOR, General William Ward, presented a report according to which the future BiH army would have 12.000 troops, VL reads that NATO also prepared a plan to reduce the number of troops since BiH cannot afford to have that many. In that context, NATO's estimates are that BiH can afford 8.000 troops. Moreover, the daily reports there are plans to abolish the mandatory military service in order to save the money.</p> <p>Oslobodjenje pg. 5 'SFOR offered several options' quotes SFOR Spokesman Jeff Coverdale as saying at a press conference in Sarajevo on Tuesday that the BiH political and military leaders will continue discussion on the future structure of the armed forces in the country at a meeting scheduled for May 9 in Banja Luka.</p> <p>Dnevni List (front and page 10, <u>unsigned</u>, "Civil command acceptable, not the unified BiH army") carries the RS President, Dragan Cavic, as supporting ideas to reach an agreement regarding BiH joining the Partnership for peace programme stressing that the civil command over the military is an acceptable solution.</p> <p>Cavic, who was a guest on Bijeljina-based BN TV, said that a single army at BiH level is impossible. (Oslobodjenje pg. 2 'A single army in BiH not possible', Dnevni Avaz pg. 4 'Civil Command is acceptable' also carried the statements)</p> |
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| <p><b>Serving military service in RS</b></p> | <p>Nezavisne Novine, pages 1 &amp; 6, 'Bosniaks do not want to go to RS Army' – Adil Osmanovic, RS Vice President, stated that Bosniaks will not serve the RS Army. He yesterday stated that the municipal defence departments are sending call-ups to Bosniak returnees to RS, adding that young Bosniaks do not want to serve the army in RS. According to him, the solution to this problem lays in extension of five-year deadline, set by the Dayton Agreement, according to which the recruits were not to be called-up before this deadline expires. Since the deadline expired, Osmanovic thinks that solution lays in the establishment of the joint army.</p> <p>Branko Trkulja, Spokesperson at the RS Defence Ministry, stated that no Bosniak was called up for military service, adding that the military service is obligatory for all.</p>   |
| <p><b>SFOR inspection in Prijedor</b></p>    | <p>Nezavisne Novine, pages 1 &amp; 2, '21 guns and military equipment detected'; Glas Stpski, page 2, 'Weapons and ammunition found' – During yesterday's inspection at the facility of Prijedor firm for paper production "Celpak", SFOR Scot Unit detected around 20 guns, radio-link and certain quantity of military equipment. SFOR commenced its operation around 09:00 hrs yesterday morning. According to Phil Morgan, Second Lieutenant, the firm security fully cooperated with SFOR and there was no need for forcible entry into any firm premise.</p> <p>The security guards claim that the equipment found dates from the former SFRY time, when each firm was to have its territorial defence. Also, the guns found were mainly of M-48 type. Vojo Dosen, President of the Celpak Union, expressed satisfaction that the international military forces, that will take over the weapons, will actually help Celpak to get rid of this ballast. Oslobodjenje pg. 3, mentioned on the front page 'Arms, military equipment found in Celpak' and Vecernje Novosti pg. 7 also reported on the action.</p> |

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| <p><b>Economic developments</b></p> |  |
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| <p><b>Federation PM Hadzipasic meets Dixon on Indirect Tax Policy Commission</b></p>          | <p>Dnevni List (front and page 3, by <u>S. Kuzman</u>, “Customs and tax administrations at State level from July 1”) reports that the Federation Prime Minister, Ahmet Hadzipasic, yesterday met with the Chairman of the Indirect Tax Policy Commission, Joly Dixon, when Dixon informed Hadzipasic that the current entity Customs Administrations should be joined at the BiH level by July 1, 2003. Moreover, the daily reports that detailed talks on introduction of VAT at State level and merging of Tax Administrations will intensify these days. (Oslobodjenje pg. 6 ‘Single customs administration at the state level as of July 1’ also reports on the meeting)</p> |
| <p><b>OHR Economic Newsletter: BiH foreign trade deficit amounts up to 690 million KM</b></p> | <p>Oslobodjenje pg. 10 ‘BiH foreign trade deficit amounts up to 690 million KM’ – In the first two months of the year, BiH imported goods valued at up to 930 million KM, as it exported in the same period goods and services valued at just KM 283 million, according to the latest issue of the OHR Economic Newsletter. OHR Spokesman Mario Brkic told a press conference in Sarajevo on Tuesday that the country could not afford such a high foreign trade deficit of KM 690 million, and that the export had therefore to be increased as soon as possible.</p>   |

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| <p><b>Customs control strengthening</b></p> | <p>Blic pg. 7 'Specialists with weapon' – "By the end of this week a special customs unit for fight against customs frauds will be starting to function in BiH", Director of Federation Customs Administration Zelimir Rebac says. According to Rebac, 20 specialists who will also wear weapon that they may use if necessary will be checking the goods that passed the border, that is the goods which is somewhere in BiH.</p> |
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| <p><b>War crimes</b></p>                                 |  |
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| <p><b>DL on forthcoming visit of Carla del Ponte</b></p> | <p>In light of media speculations pertaining to the forthcoming visit to Sarajevo by the ICTY Chief Prosecutor, Carla del Ponte, Dnevni List (front and page 3, by <u>D. L.</u>, "Del Ponte looking searches for 13 more suspects, the rest to be tried in BiH") learns from its source that del Ponte will bring 130 cases that will be handed over to the BiH Court whilst 13 cases will be handled by the ICTY. According to DL's source to the IC, this is the last package of indictments for indictees that will be going to the ICTY detention in Scheveningen.</p> |

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| <p><b>Nikolic reached deal with ICTY prosecution</b></p>   | <p>Oslobodjenje pg. 5 'Nikolic pleaded guilty for massacre' – Momir Nikolic, former deputy commander of the Bratunac-stationed RS Army brigade, reached a deal with the ICTY Prosecution Office on the admission of guiltiness. According to the agreement, Nikolic pleaded guilty for persecution on the political, racial and religious foundations qualified as a crime against humanity, and, in exchange, the Hague prosecutors withdrew all other counts of the indictment including those for participation in genocide. (The New York Times)</p>   |
| <p><b>VL: ICTY completes investigations on crimes committed over Croats in area of Mostar, Jablanica, Konjic and Bugojno</b></p> | <p>Vecernji List (front page, "The Hague also demands General Vehbija Karic" and pages 2 and 3, "The Hague comes for Zilic, Karic, Mlaco..." by <u>Zoran Kresic</u>) carries that according to Croat officials close to The Hague, ICTY investigators are completing collecting of the evidence for the crimes that BiH Army and parallel formations committed over Croats in the Jablanica, Konjic, Mostar and Bugojno Municipalities. VL says that the investigators were especially interested in information about war-time Mayor of Bugojno Dzevad Mlaco, Commander of prison camp Musala in Konjic Edhem Zilic, General Vehbija Karic and Commander of notorious unit so-called Zukics Zulfikar Alispago. VL says that Zilic stated that one of the Bosniak leaders Haris Silajdzic knew about Musala prison camp.</p> |

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| <p><b>Jovica Stanisic and Frenki Simatovic will be extradited to The Hague</b></p> | <p>Vecernji List (page 19, by <u>Zoran Bajt</u>, "Stanisic and Simatovic are going to The Hague"), Dnevni List (page 19, "ICTY indictment against Heads of SDB of Serbia Stanisic and Simatovic") and Vjesnik (page 11, by <u>Vesna Fabris Peruncic</u>, "Stanisic and Simatovic will be extradited to The Hague because of crimes in Croatia and BiH") carry that Jovica Stanisic and Frenki Simatovic, former Heads of Intelligence Services and aids of former Yugoslav President Slobodan Milosevic will be extradited to The Hague next week. The Hague charged them with the crimes committed in Croatia and BiH. Minister of Foreign Affairs of Serbia and Montenegro Goran Svilanovic stated that there are no obstacles for their extradition.</p> |
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| <p><b>Political developments</b></p> |  |
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| <p><b>Dnevni Avaz:<br/>State<br/>Intelligence<br/>Service as of<br/>January 1 next<br/>year</b></p> | <p>Dnevni Avaz pg. 2 'State Intelligence Service as of January 1' – As of January 1 next year, BiH should get the State Intelligence Service. The current two Entities' intelligence services will merge into a single service at the state level, learns the newspaper. According to the Avaz source, two representatives of the F0SS and the RS Intelligence Service respectively and an international will form a five-member commission, which will by September 1 this year create legal frame for the establishment of the state service. The idea on the formation of the BiH State Intelligence Service has been launched by the BiH Council of Ministers Chairman, Adnan Terzic, and strongly supported by High Representative Paddy Ashdown.</p> |
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| <p><b>SD: Interview with Croat member of BiH Presidency Dragan Covic</b></p> | <p>Slobodna Dalmacija (front and page 17, by <u>Blanka Magas</u>, " Avengers are persecuting me") carries an interview with the Croat member of BiH Presidency, Dragan Covic. With regard to re-organization of BiH, Covic says currently BiH has numerous levels of authority that should be reduced, first of all, for the economic reasons. Covic believes it is necessary to find solutions through which all three constituent peoples would meet their national needs and interests, and they would agree whether it would be a high-quality regionalisation or further cantonization. Asked about relations with the international community, Covic says the problem is in a certain degree of distrust that the IC representatives have towards them. Asked whether it is distrust towards them as representatives of national parties or towards authorities in BiH in general, Covic says it is more a general attitude towards the authorities in BiH. With regard to the criminals charges that the Federation Customs Administration filed against him, Covic says it is interesting that almost all persons who participate in fabricating of the affairs against him come from the same milieu and that some of them had been removed by decisions of the Federation Government at the time he (Covic) was in the Federation Government.</p> |
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| <p><b>DL's editorial on IC in BiH</b></p>                         | <p>Dnevni List (page 5, by <u>Z. Jukic</u>, "Conflict or arranged casting of roles") wonders whether the US and OHR have two different approaches when it comes to dealing with BiH. Reminding of the two recent visits to Herzegovina, first by the Croat member of BiH Presidency, Dragan Covic, and the PDHR, Donald Hays, and the second visit by the US Ambassador to BiH, Clifford Bond, and the Director of Federation Customs Administration, Zelimir Rebac, the author says the Bond-Rebac visit saw a confirmation of the charges against Covic, something that one could not hear during the Covic-Hays visit. In light of this, the author wonders whether there is a conflict between the US and OHR or whether it is about a pre-arranged casting of roles. Jukic's conclusion reads that if it is about the casting of roles then we will in the future have a similar situation like we have now and if it's not, the conflict is bound to escalate to an extent which will result in removal of the current OHR administration.</p> |
| <p><b>Statement of Day: High Representative Paddy Ashdown</b></p> | <p>In today's Statement of Day, Dnevni List (page 2), carries the High Representative for BiH, Paddy Ashdown as saying: "BiH Council of Ministers will pass the decision on Eronet."</p>   |

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| <p><b>Establishment<br/>of HNC<br/>Government</b></p> | <p>Dnevni List (front and page 14, by <u>D.L.</u>, “OHR will have to make cut”) carries that the interrupted session of the Herzegovina-Neretva Cantonal Government from the other day will continue today. Deputy Prime Minister of the HNC Government in technical mandate Miroslav Coric says he was misquoted by DL because he has never accused the Bosniak Ministers for the fact that the HNC Government has not been formed yet but the Bosniak MPs (in the HNC Assembly). Coric also said that a session of an independent commission took place yesterday, however, the solution was not found. Coric believes that the session of the HNC Government will take place to the end regardless of the result of the discussion on the first item. He says he does not have a model for forming of the Government and that the parties have to propose the candidates. Coric expressed hope that OHR will take certain activities during this week and added: “I suppose that OHR will have to make a cut.”</p> |
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| <p><b>RS Government convened</b></p> | <p>Glas Srpski, page 2, 'Investigation to be accelerated' – In the light of the upcoming visit of the Pope John Paul II, the RS Government has authorised the RS Prime Minister, Dragan Mikerevic, to approve the allocation of the resources necessary for the visit preparations from the budget. According to press release issued by RS Government Bureau for Public Affairs yesterday, the RS Government also decided that apart from RS Minister of Internal Affairs, Zoran Djeric, (who is the Head of Security Sub-board for Pope's visit), Ministers Boris Gaspar, Dragan Solaja and Martin Kvaternik should engage in the preparations for the Pope's visit as well. The RS Government also granted guarantees for temporary release of Darko Mrdjo from the ICTY detention unit.</p> <p>In regard to the RS Elektroprivreda issue, the RS Government adopted information presented by the RS Interior Ministry related to the ongoing criminal investigation at RS EP. Accordingly, the RS Government has obliged the RS Ministry of Internal Affairs to submit a report as soon as possible, which is to say what measures the RS MOI undertook during the investigation over the past month.</p> <p>As a remainder: RS Ministry of Internal Affairs has so far filed 13 criminal reports following RS EP affair. (Blic pg. 7 also reported on the session)</p> |
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| <p><b>Sead Cirkin says RS Council of Peoples will not function</b></p> | <p>Nezavisne Novine, page 4, 'Club of Bosniaks without veto' – Sead Cirkin, Coordinator of the Caucus of the Bosniak MP's claims that the RS Council of Peoples will not function, until a consensus amongst the caucuses are reached. He also said that a certain division exists within the Caucuses of Bosniaks and Serbs, owing to which two third majority is not provided during the voting on issues of vital interest. He also said that complaint has been filed with OHR against OHR official, who, according to Cirkin, assisted in election of illegal leadership.</p> |
| <p><b>BiH delegation to visit Serbia and Montenegro</b></p>            | <p>Vecernje Novosti pg. 4, Sarajevo media – BiH Prime Minister Adnan Terzic, Federation PM Ahmet Hadzipasic, RS PM Dragan Mikerevic and BiH Security Minister Barisa Colak will visit Serbia and Montenegro on Friday. In Belgrade they will meet with President of S&amp;M Assembly Dragoljub Micunovic, Foreign Minister Goran Svilanovic and Serbian PM Zoran Zivkovic. In Podgorica the BiH delegation will meet with S&amp;M President Svetozar Marovic and Montenegrin PM Milo Djukanovic. Subjects of meetings will be economic and security cooperation.</p>               |

**DL: "OHR must  
remove Zijo  
Hadziomerovic"**

Dnevni List (page 6, by Zvonimir Jukic) carries an editorial in which the author says if Mostar is to become a normal city in the next few months of its restructuring, there should be "process of political decontamination of political space in Mostar which started during the tenure of the High Representative Wolfgang Petritsch". According to Jukic, Petritsch removed persons that contributed to deepening of distrust among the Mostarians, and during the process Petritsch removed many local HDZ officials, which in turn resulted in Mostar HDZ changing its rhetoric regarding the future of Mostar drastically. Jukic's recommendation is that the next step should be the removal of Head of Mostar's Municipality Stari Grad, Zijad Hadziomerovic (SDA) who, according to Jukic, has a negative influence on events in Mostar through his statements and acts. Jukic's conclusion is if Hadziomerovic were to be removed, the OHR would show its credibility and clear attitude towards local nationalism.

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| <b>Seada Palavric<br/>on situation<br/>in SDA</b>              | <p>Dnevni List (page 8, by <u>FENA</u>, "No fractions in SDA") carries an SDA Vice President, Seada Palavric, as denying some media reports that there are conflicts within the party and that the Federation Prime Minister, Ahmet Hadzipasic, has offered resignation because of conflicts.</p> <p>"Regarding more intensive efforts of some circles in Bosnia and Herzegovina to cause a division within SDA and stage a conflict between the party and IC, we want to make it clearly that SDA is a compact unit and that there are no fractions in SDA including the liberal or radical (fractions)".</p>                          |
| <b>Feasibility<br/>Study for BiH<br/>admission into<br/>EU</b> | <p>Vecernji List (page 2, by <u>E. Medunjanin</u>, "Decision from Brussels before end of this year") carries that representatives of BiH authorities and EC started yesterday the talks on replies to the questions from the questionnaire for drafting of the Feasibility Study in order to start negotiations and signing of the agreement on stabilization and admission to EU. VL says that it has been expected that the final EC decision saying whether BiH can start negotiations with EU should be known by the end of the year. (Oslobodjenje pg. 9 'Satisfied with answers on 349 questions' also reported on the talks)</p> |

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| <b>Fight against organised crime</b> |  |
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| <p><b>EU list of unwanted persons</b></p> | <p>Nezavisne Novine, pages 1 &amp; 3, 'Milenko Vracar and Dragan Spasojevic under thorough investigation' – Milenko Vracar, the Director of Nova Banjalucka Banka, and Dragan Spasojevic, businessman from Zvornik, are likely to be included in the list of 25 persons from BiH, who will be banned from entering any EU state. NN source at European diplomatic circles claims that the international officials suspect that Vracar and Spasojevic are linked with organised crime, for which they hold evidence. According to NN inset 1, Milenko Vracar got hold of an apartment in Belgrade (previously owned by Marija Knezevic, Director of EKO MMM) in a suspicious manner.</p> <p>According to NN inset 2, OHR Audit Team established that the Privredna Banka Serb Sarajevo, owned by Momcilo Mandic, is faced with extremely bad financial situation. During the audit, the OHR team detected that the Bank was mainly used for money laundering. The team also revealed that Mandic bought a house in London, which he rents for KM 35 thousand per month.</p> |
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**Trade  
inspection and  
police actions  
“Oil 2003”**

Nezavisne Novine, pages 1 & 7, ‘Black oil market in RS detected’; Glas Stpski, page 2, ‘Search for cisterns’ -The increased controls of cisterns by the RS Trade Inspection and RS Interior Ministry resulted in increase of budget incomes from the trade in oil in April for 30% to 40% (if compared with March 2003).

The joint action called “Oil 2003” has commenced ten days ago. According to Boris Gaspar, RS Minister of Trade and Tourism, that the total worth of the goods confiscated during the action is KM 300 thousand. He also said that the police is now searching for 10 cisterns carrying around 400 thousand litres of oil, that did not come to the unloading site.

Gaspar also said that the action detected the firms, engaged in exports of goods, transfer of the goods to various firms across BiH Federation. He also said that it is still a secret how long the operation “Oil 2003” will last, adding that no names of any firm can be released at this time, owing to ongoing investigation. However, he announced that the trade in oil and oil derivatives should be regulated by the end of July.

According to Zoran Glusac, Spokesperson of the RS MOI, the initial results of the ongoing action will be revealed in ten days time.

(Blic pg. 7 ‘800,000 KM from illegal trade’)  
Blic pg. 7 ‘Buried cisterns’ – Buried cisterns with fuel were discovered at the Nikic company premises in Pelagicevo, reports the RS Interior Ministry. According to Gaspar, 5 illegal tanks and pump facilities (with capacity over 100,000 litters) were found at 5 locations in Srbac municipality.

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| <b>VL: "AID directed Leutar case"</b> | <p>Vecernji List (front and page 5, by <u>Robert Bubalo</u>) carries an interview with DNZ Vice President Rifet Dolic. Dolic says that that the Leutar and Pogorelica cases are connected and that late Federation Deputy Minister of Interior Jozo Leutar was killed because he had information about murderers in the Central Bosnia and some other events. Dolic says that all this was arranged by AID and added: "I could not believe when one 'prophet' from the International Community told me before the verdict on the Leutar case was proclaimed that it is about a deal and that freedom of innocent ones in the Leutar case will be compensated through release of the persons responsible for the Pogorelica case. I am shocked how precisely this scenario is being implemented."</p> |
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| <b>Other issues</b>               |  |
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| <b>Illegal construction in RS</b> | <p>Glas Srpski, cover page story, 'Brick by brick – then prison' – As of September last year till March this year, when the Law on changes and addenda to the Law on Urbanism has been put into effect, 30 criminal charges for illegal construction works have been filed in the RS. according to Dragan Mijovic, RS Inspector for Urbanism and Construction Works, told GS that: "We have pressed criminal charges. It now depends upon courts whether the investors of those constructions or the responsible contractors will end up in prison."</p> |

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| <p><b>Illegal storage of oil in Pelagicevo</b></p> | <p>Glas Srpski, cover page story, 'Fuel pured secretly?' – Zoran Glusac, the Spokesperson of the RS Interior Ministry, stated that within the facility of the private firm "Nikic" in Pelagicevo, the secret oil reservoirs buried in the soil were found. According to him, the investigation is still ongoing. He is also of the view that these reservoirs were used for smuggling in oil.</p> <p>Mico Nikic, the owner of the firm, told Srna news agency that: "RS MOI, Trade Inspection and Tax Administration officials investigate the site. They are doing their job and I have nothing to add on this."</p> |
| <p><b>Hambarine minefield</b></p>                  | <p>Nezavisne Novine, page 5, 'Bodies in charge were informed of minefield' – Brankica Davidovic, Director of the Primary School "Dositej Obradovic" from Prijedor yesterday confirmed that on 24 March, she informed the Prijedor Public Security Station, Municipal Education Board and OSCE Office in Prijedor of the presence of minefield near the school detachment at Hambarine. He also said that she will hold a meeting with the parents tomorrow, when she is to calm them down and pass on them all information available on this.</p>   |