OHR BiH Weekend Round-up, 17-18/7/2004

Friday

RADIO HERCEG-	BH TV 1(19,00	FED TV (19,30 hrs)	RT RS (19,30)
BOSNA (18,00 hrs)	hrs)		
Al'Qaeda present	Illegal	Brucellosis in	Demand of John
in BiH	immigration	Novi Travnik	MacNair
BiH HoP in	New audit reports	Colak on police	Letter Ali
session		reform	Hammad
Indicted Goran	CIPS affairs in	BiH HoP in session	Change of RS
Hadzic	BL		cities names
New audit reports	Colak on police	New audit reports	Goran Hadzic
	reform		indicted

Saturday

RADIO HERCEG-	BH TV 1 (19,00	FED TV (19,30 hrs)	RT RS (19,30)
BOSNA (18,00 hrs)	hrs)		
Change of RS	Dejan Milenkovic	Audit of FBiH MoI	Patriarch Pavle
cities names	arrested		in Sarajevo
Statement by	HR public address	Statement of A.	Returnees to
Mesic		Hadzipasic	Petrovac
Sell of Fructal	Situation in RS	Dejan Milenkovic	World news
products	Army	arrested	
World News	Change of RS	Economy in B.	World news
	cities names	Grahovo	

Saturday

Oslobodjenje	Investigation on the BiH Presidency's overspending; 3000
	police officers in BiH are surplus; Draskovic-Ivanic:
	Reaching borders through territory exchange; Candidates
	for generals positions confirmed

Dnevni Avaz	Investigation into false documents; Ashdown: I am looking forward to Old Bridge opening; Raguz: It is possible for McNair's request to be rejected; Draskovic offers territory exchange
Dnevni List	Ashdown: Opening of Old Bridge is sign that BiH is recovering
Vecernji List	Incurring of new debts banned to BiH
Slobodna Dalmacija	Price of bread, milk, oil etc. to increase by 17%
Glas Srpske	Tenants are facing Siberia; False IDs; The lawsuit should be withdrawn
Nezavisne	"Peace mission" flied in BiH; False documents for persons
Novine	from SCG; Ivanic's Minister at defendant's chair; Kozic
	and Klickovic are constructing hydroelectric power
	station
Blic	The Government is shaking

Sunday

Oslobodjenje	Women are still endangered at the Sarajevo University !	
Dnevni Avaz	Decision by Constitutional Court outwitted; Vuk Draskovic's offer should be rejected	
Dnevni List	Arrests of Islamic terrorists are being prepared?	
Vecernji List	Slovenian juice divided BiH	
Slobodna Dalmacija	Features Croatia related headlines	

Police, security and defence issues

Report on
BiH police
forces: 3000
police
officers are
surplus

FTV Fri, RTRS Fri, Oslobodjenje Sat pg 8 '3000 police officers in BiH are surplus', mentioned on cover, by A. Prlenda, Nezavisne Novine, Saturday pg. 9 'There is a surplus of 3,000 policemen in BiH' by M. Cubro, Glas Srpske, Saturday pg. 3 'Are dismissal notices in an envelope?' not signed, **EuroBlic**, Saturday pg. RS1 'Obsolete philosophy of policemen in BiH' by J. D. , Dnevni List Saturday pg 2 'BiH Police can compete with European one! 'by I. Tabucic — The summary of the report on the financial, organizational and administrative assessment of security forces in BiH says that the Police forces in BiH offer high-quality services to citizens, however that there is a surplus of 3000 police officers in BiH and the report also reads that the current police structure cannot reply to demands of the state for fight against all kinds of organized crime. The report was presented to the public on Friday and Head of the EC delegation in BiH Michael **Humphreys** submitted it to BiH Security Minister Barisa Colak, who stressed that the situation will be improved once SIPA is fully operational. Colak added he believes that the commission for police restructuring will contribute to the strengthening of the role of state in police businesses.

BHTV 1 Fri — Colak also said that BiH currently spends too much money on police, which is not connected and organized. "The existing structure of police, which BiH needs to fight against organized crime, terrorism, and drugs, is simply not good," said Bernard Prestel from the Commission for reconstruction of police forces.

Dnevni Avaz Sat pg 4 'Proces of police reform in BiH could last for 6 years' by M. Kukan, Vecernji List Saturday pg 3 '3000 policemen to lose job' by D. Jazvic — Colak estimates that it will take 5 or 6 years to reach European standards when the area of the police is in question.

BiH HoP endorses appointments to generals positions

RHB Fri, FTV Fri, RTRS Fri, Dnevni Avaz Sat pg 9 'Appointments for generals positions confirmed' by Fena, Oslobodjenje Sat pg 5-6 'Candidates for generals positions confirmed', mentioned on cover, by A. Terzic, Dnevni List Saturday 'BiH Presidency will officially appoint confirmed candidacies' by NINA and Slobodna Dalmacija Saturday pg 14 'Generals 'passed' HoP' by F, Nezavisne Novine, Saturday pg. 5 'Appointment of commanders was confirmed' by M. C. - The BiH House of Peoples on Friday confirmed the appointment of candidates to the generals' positions at BiH joint defence institutions. The HoP confirmed the appointment of Brigadier Sifet Podzic to the position of the Head of the BiH Armed Forces Joint Command, Brigadier Slavko Puljic to the position of the Deputy Head of the BiH Armed Forces Joint Command and Brigadier Vlado Dzojic to the position of the Commander of the BiH Operational Command.

On Al'Qaeda presence in BiH

RHB Fri, RTRS Fri — Both media reported they received the letter from Ali Hammad, apparently a former Al'Qaeda member. He currently serves a sentence in Zenica and said he left the organization following attacks on the USA. In the letter he warns that there is still a big number of Osama Bin Laden's terrorist network in BiH.

Crime and legal issues

Four persons
arrested for
frauds
regarding
CIPS
projects

BHTV 1 Fri, RTRS Fri, Oslobodjenje Sat pg 7 'Arrestees worked on CIPS project' by Onasa, Dnevni Avaz Sat cover page story 'Investigation on false documents', pg 2 'Prosecution commences with the comprehensive investigation on false documents', by B.C., Nezavisne Novine, Saturday cover and pg. 3 'False documents for persons from SCG' by A. <u>Sisic</u>— BiH Court on Friday reached a decision on detention for four persons, suspected of being members of a net of organized crime, which has enabled issuing of approximately 500 CIPS IDs and Driver's licenses. A detention was prescribed for Cvijo Tovilovic, Milisav Knezevic, Milovan Stojicic and Spomenka Balaban.

Glas Srpske, Saturday cover 'False IDs' by V.

J. – 'All arrested persons are from RS, but
were also brought in relation with individuals
from the Federation of BiH. The most worrying
fact is that this group has forged several
hundreds of CIPS documents for persons from
Serbia and Montenegro', a source close to BiH
Prosecutor's Office has stated.

Dnevni Avaz pg 2 'Halilovic: Launching a
 procedure not excluded is there were
irregularities' by Aj.D. — BiH Civil Affairs
 Minister Safet Halilovic said that he is
 certain "that the CIPS project is not
 threatened with the event that occurred in
 Banja Luka " stressing that the project is
 safe.

Dnevni Avaz pg 2 'Macan: Misuses possible only
 where MUP is in charge' by M. Vidovic —
Manager of CIPS project in Banja Luka, Sinisa
Macan claims that arrestees were not employed
 by the CIPS project, explaining that they
 worked in the departments of RS Interior
 Ministry for issuing IDs.

Former RS Finance Minister indicted for fraud

BHTV 1 Fri, RTRS Fri, Nezavisne Novine,
Saturday cover and pg. 2 'Ivanic's Minister at
defendant's chair' by D. Risojevic, Glas
Srpske, Saturday pg. 11 'Vilendecic was
accused' by M. D. — Banja Luka Prosecutor's
Office brought an indictment against Simeun
Vilendacic, former Minister of Finances at the
RS Government, because of a suspicion that he
had damaged RS budget for BAM 88,000. The
investigation in this case has been conducted
on the base of a report of the RS Audit
Service for 2002.

Sarajevo Cantonal Prosecutor

BHTV 1 Fri, FTV Fri, Nezavisne Novine. Saturday pg. 2 'They were accused of planning of bombing attacks in Sarajevo' by D. Muminovic, Vecernje Novosti, Saturday pg. 21 'They have forged IDs' by M. L. - Sarajevo Canton Prosecutor's Office on Friday brought indictments against four persons over committing a criminal act against safety of people and property and over an illegal possession of weapon and explosive substances. Indictments were brought against Zijad Turkovic, Bakir Ibrahimovic, Sead Kobilic and Antun Grladinovic. The indictment reads that they, as an organized group, purchased an explosive in December 2003, which they have intended to use in committing serious criminal acts in the area of Sarajevo Canton. The police have brought the four in relation with the murder of Taib Torlakovic yet the Prosecution has not found enough evidence to bring an indictment for the murder.

Raguz on McNair's request for transfer of high-profile cases

Dnevni Avaz Sat pg 5 'It is possible that the demand of McNair's special departments is to be rejected', mentioned on cover 'It is possible for McNair's requested to be rejected' by <u>Husein Orahovac</u> — In an interview to DA, the president of the BiH Court Martin Raguz said that the Court has still not reached a decision following the demand submitted by the State Prosecutor John McNair to take over about 10 cases from Mostar and Sarajevo Cantonal Courts against also high profile politicians. The motion has been filed about 20 days, but Raguz dismisses there are any problems adding that the Court has demanded from McNair [who responded to that request] to give separate explanation for the request for each of the cases, and not one explanation for all of them. Raguz concludes that the chance for the request to be rejected are 50-50.

Political issues

HR Ashdown announces EU taking over leadership in BiH RHB Sat, Dnevni Avaz Sat pg 2 'Peace in BiH will not be endangered' by Onasa, Oslobodjenje Sat pg 3 'New phase starting in BiH with EU forces' by Onasa, Vecernji Lust Saturday pg 4 'EU is taking over leadership in BiH' by dja and Dnevni List Sunday pg 2 'Criminals from BiH threat to whole EU', mentioned on cover, by NINA — Addressing the BiH citizens on Friday, High Representative Paddy Ashdown announced bigger European influence on the international activities in BiH although partners such as USA, Turkey, Russia and Canada will continue to have an important role in BiH.

Nezavisne Novine, Saturday pg. 4 'Europe is taking leading role in BiH' by D. Risojevic, Vecernje Novosti, Saturday pg. 4 'Greater influence of EU' by D. Stojakovic, EuroBlic, Saturday pg. RS2 'One step from Europe' by M. S. — He noted that BiH owes a lot to NATO forces but now it was the time for a new phase of the presence of the international forces under the leadership of EU, forces of which — EUFOR — will replace SFOR in December this year. According to the High Representative, these will be strong forces, very similar to the current SFOR and will have approximately the same number of soldiers. 'The role of EU forces will go beyond peace implementation because, for example, it will round the work of EUPM in strengthening rule of law in BiH, especially in field of fight against organized crime', HR Ashdown stated.

RS Govt changes names of 13 cities in RS

RHB Fri, FTV Fri, RTRS Fri, BHTV 1 Sat, Dnevni Avaz Sat pg 4 'Prefix 'Serb' to be abolished from the names of cities', Oslobodjenje Sat pg 5 'Names for 13 citizens established' by Onasa, Dnevni List Sunday pg 6 'RS added to names of Serb municipalities' by V. <u>Vujovic</u> and **Vecernji List** Sunday pg 4 'Name Srbinje is disputable' by B.S., Nezavisne Novine, Saturday pg. 3 'Draft changes of names of towns in RS was defined' by Srna, Glas Srpske, Saturday pg. 2 'Baptizing at the Parliament' by Z. Marceta, Vecernje Novosti, Saturday pg. 3 'Srpsko Orasje - Donji Zabar' <u>not signed</u> - RS Government on Friday adopted the draft law on amendments to the law on territorial organization and local self-administration, changing the names of 13 cities in the RS, pursuant to a decision of the BiH Constitutional Court. Minister of Administration and Local Self Governance Slaven Pekic said that this draft, as well as the draft law on amendments to the Law on Town Serb Sarajevo, will be forwarded to the RS National Assembly, which will pass the final decision on the city names. The Government has changed the name of Srpsko Sarajevo to Sarajevo of RS, Srpski Drvar to Drvar of RS, Srpski Sanski Most to Ostra Luka, Srpski Mostar to Eastern Mostar, Srpsko Gorazde to Gorazde of RS, Srbinje to Foca Srbinje, Srpski Kljuc to Ribnik, Srpska Kostajnica to Kostajnica, Srpski Brod to Brod, Srpska Ilidza to Ilidza of RS, Srpski Stari Grad to Stari Grad of RS, and Srpsko Orasje to Donji Zabar.

Reactions to RS Govt's decision on changes of names RHB Sat, Dnevni Avaz Sun cover page story 'Decision by Constitutional Court outwitted', pg 2 'RS Government outwitted decision of the constitutional court' by J. Sogolj — Safet Halilovic, BiH Civil Affairs Minister, believes that the RS Government decision is purely a formal one where the essence of the problem has not been changed. He insists that the Court's decision orders removal of names forcefully imposed due to war, which RS Government has not done. Tarik Sadovic, chair of SDA caucus in RS National Assembly sees that RS govt's decision as an attempt to outwit Constitutional Court decision. Sejfudin Tokic of SDU specifically pointed to the problem of keeping the name Foca Srbinje, calling it unacceptable.

BHTV 1 Sat — "Decision of BiH Constitutional Court refers to name Srbinje, and BiH Constitutional Court said that name Srbinje was unconstitutional, while term Foca-Srbinje is being used and I do not see reason why this should not it be the solution," said Slaven Pekic, RS Minister of Administration and Local Self Governance.

Meeting between Draskovic and Ivanic; reactions

BHTV 1 Fri, RTRS Fri, Dnevni Avaz Sat pg 2 'Draskovic offers recognition of borders and exchange of territory', mentioned on cover 'Draskovic offers exchange of borders', not signed, Oslobodjenje Sat pg 5 'Reaching borders through territory exchange', mentioned on cover, by B. Boskov, Nezavisne Novine, Saturday pg. 5 'Most of issues between two states have been resolved' by agencies, Glas Srpske, Saturday pg. 2 'Agreement straightens border' by Tanjug, Dnevni **List** Sunday pg 6 'Resolving of border issues between BiH and SCiG by exchange of territories' by M. Batarello — After the meeting held in Belgrade BiH Foreign Minister Mladen Ivanic and Minister of Foreign Affairs of Serbia and Montenegro Vuk Draskovic concluded that the border issue and resolving of property relations are the biggest issues in the relations between BiH and SCiG. Ivanic also said that there are no differences in their stands when the locations of borders are in question but in the way how to define them, while Draskovic stated that a part of border related issues can be resolved by exchange of territories.

FTV Fri — "There are no differences in opinions on where the border is. There is difference in how to adapt the border," said Ivanic adding that the first thing to do is to verify agreements and then start negotiations on the issue. Vuk Draskovic belives that disputable border areas of Uvce, Rudo and Priboj should be solved by exchanging the territory following the principle of reciprocity. "We had very detailed discussions on many issues and we agreed on everything" said Draskovic.

Dnevni Avaz Sun pg 3 'Vuk Draskovic's offer should be
 rejected', mentioned on cover, by H. Orahovac —
Commenting the offer made by Vuk Draskovic, BiH Civil
 Affairs Minister Safet Halilovic stresses that this
 Ministry has prepared the agreement on borders with
SCG, accepted by BiH Council of Ministers, and that it
 is not possible to discuss exchange of territories
before this agreement is signed. "Perhaps during this
 process of signing the border agreement with SCG it
 would be good if OHR gets more included in this
 problems caused by Belgrade," added Halilovic.

Ashdown in Mostar

RHB, FTV Fri, Dnevni Avaz Sat pg 13 'Reconstructed Old Bridge will be on aired on all TV stations around the world', mentioned on cover 'I am looking forward to opening', by F. Vele, Oslobodjenje Sat pg 4 'Picture of Old Bridge will be on all screens in the world' by Onasa, Nezavisne Novine, Saturday pg. 4 'Opening of the Old bridge is a great moment for BiH' by V. Coric High Representative Paddy Ashdown visited Mostar on Friday in order to discuss preparations for opening of the Old bridge with the Town officials. The HR stated that opening will be a strong sign that BiH, just like the City of Mostar, is recovering. HR Ashdown said the Town officials and international professional sources gave him some information that convinced him that this very complex task has been functioning in accordance with the plan and that everything has been under control. In relation to accomplishments of Mostar authority, HR Ashdown stated: 'The adoption of the budget is one of the most important things and this was accomplished thanks to local and not international structures'.

Dnevni List Saturday front, pg 4 'Ashdown: Opening of
 Old Bridge is sign that BiH is recovering' by NINA,
 Slobodna Dalmacija Saturday last pg 'Insecurity of
 ceremony chased away foreign officials' by M. Landeka
 - Ashdown also met with the Mostar Mayor Hamdija Jahic
 and Deputy Mayor Ljubo Beslic. The dailies carry
 Beslic as saying that some information about the
 security situation in Mostar contributed to the
 situation that many foreign officials gave up their
 coming at the Old Bridge opening ceremony.

BHTV 1 Fri - Ashdown also rejected all speculations on
 possible terrorist attacks during the ceremony of
 opening of the Old Bridge in Mostar.

Palavric: Dismissals in RS not necessary Dnevni Avaz Sat pg 11 'EU forces should continued to
 arrest war criminals', inset 'Dismissals in RS not
 necessary', Dnevni List Saturday pg 5 'Nevertheless,
 decreasing of pensions in FBiH is possible', mentioned
 on cover, by E. Mackic and Slobodna Dalmacija Saturday
 pg 15 'Pensions must not be decreased' by F, Glas
 Srpske, Saturday pg. 2 'Srpska in old practice' by
 Srna — SDA Deputy President Seada Palavric called on
 the RS authorities to reveal as to who is responsible
 for the fact that BiH did not join Partnership for
 Peace and to remove these officials instead of
 demanding 'unjustified and unnecessary removals of
 Ministers from the line of SDA'.

Oslobodjenje Sat pg 8 'RS authorities are better to cooperate with The Hague' by <u>S.R.</u> — "BiH cannot afford nine years after the singing of Dayton peace agreement to be a hostage of RS non-cooperation with the ICTY.

RS Government did not cooperate with ICTY at the time when Govt president was from SDS, or from PDP, but also at the time when the Government was lead by Milorad Dodik from SNSD," stressed Palavric.

Cavic: SDS
is the
strongest
political
organization
of Serbs in
BiH

Oslobodjenje Sun pg 7 "SDS is the strongest political organization of BiH Serbs" by Fena, Dnevni Avaz Sun pg 4 'A number of SDS members raises following Asdhown's removals' — Acting SDS President Dragan Cavic stated on Saturday in Sokolac that the situation inside the party, following the HR decision on removing 49 of its members, has been consolidated: "Lately, SDS has an influx of new members which is an obvious reaction of an ordinary man to these events." Cavic added that young people have recognized SDS as the place where they can realize its political goals and ideals. Key SDS officials gathered in Sokolac to discuss with representatives of municipal boards of this party the measures carried out inside the party following the HR decision. Following the meeting Cavic stressed that SDS is the strongest political organization of BiH Serbs.

Oslobodjenje int with Cavic

Oslobodjenje Sat, 'Pogled' supplement, pgs 28/29 'I don't know whether municipal boards financied Karadzic' by <u>Vedrana Zivak</u> — In an interview to Oslobodjenje, Acting SDS President Dragan Cavic says that HR decision of removal of 49 SDS officials was a direct "attack against the fundamental human rights" and further comments on the impact the decision had on the party: "Such attack any political party or organization would handle with difficulty. You cannot say that it was not a serious attack, literary an organized political knockout... We have overcome the most dramatic stage of the crisis and I think that the conditions for formal functioning of SDS have been created." Asked to comment a statement by US Ambassador to BiH Clifford Bond that SDS should have been banned, Cavic says: "That would be the harshest demonstration of the democracy's fall down... that would not be good for this country." Answering the question how much money has been spent by SDS to finance Radovan Karadzic, Cavic responded: "To my knowledge SDS has not spent a pfening [for that purpose]... I cannot know and I don't know in which way certain municipal boards spent their finances, as they had status of a legal entity and their own bank accounts. I undertook a number of measures. In past few days we created a single account, and all others will be shut down... the single books will be kept, and a list of entire property, obligations and debts will be made. We will create a centralized way of leading all financial transfers."

Paravac: SDS operations were brought into the question

VN editorial on Ashdown

DL op ed on political situation following HR decision Dnevni List Saturday pg 11 'With whom Tihic will go on iftar this year' (iftar is an evening meal during Ramadan fast) by Z. Jukic — DL carries an editorial on the recent political crises emerged upon the decision on removals of RS officials passed by High Representative Paddy Ashdown. The author says: "The last conflict between SDS and SDA, that received the considerable HR's support in its many segments, is just an introduction in the things use during the next pre-election campaign..." The author goes on to say that a very small number of BiH citizens will vote at the coming elections and according to Jukic this will not be so significant blow for ruling parties as it will be for the HR who will finally have to explain to his leaders in Brussels how come that apathy rules among BiH citizens after the HR's, pompously announced reform processes.

Diplomatic forum on political relations btw Croatia and BIH

Oslobodjenje Sat pg 7 'Due to internal problems, BiH is not fully equal partner', mentioned on cover, by $\underline{\mathsf{A}}.$ Omeragic, Slobodna Dalmacija Saturday pg 16 'BiH burdened by shadow of past' by B. Kristo, Dnevni List Saturday pg BiH has certain limits for normal functioning' by V. Vujovic and Vecernji List Saturday pg 2 'Republic of Croatia will demand change of Agreement on Ploce Port' by D. Jazvic - Talking at the diplomatic forum on political and economic relations between BiH and Croatia, BiH Ambassador to Croatia Zlatko Dizdarevic was very critical about behaviour of the Governments in both Sarajevo and Zagreb. According to Dizdarevic, still there is no enough readiness in BiH and Croatia to apply European standards in bilateral relations. Dizdarevic also confirmed that most probably Croatia will demand thorough change of Agreement on PlocePort.

NN editorial on political situation

Nezavisne Novine, Saturday pg. 7 'To which extent does Terzic rule?' by Mato Djakovic — The author says he had met with Neven Tomic, former politician, former HDZ member, former Prime Minister of BiH Government, former Mayor of Mostar. Tomic told him there is no use to deal with politics in BiH nowadays. He explained it with the fact that once it was possible to negotiate and talk with the international community, during the mandates of Bildt, Westerndorp, Steiner even Petritsch, while today, according to Tomic, HR Ashdown only sends his deputies to CoM or Presidency to deliver his order. They can either respect the order and enact laws, or move aside. Should they fail to do this, the international community would remove them instead. The author wonders how much of the authority do Sulejman Tihic, Borislav Paravac or Dragan Covic actually has. He emphasizes that he does not oppose Paddy Ashdown nor the international community, but he also says: 'Is there anyone smart enough to explain to Paddy Ashdown and international community that this is not Iraq. We are not terrorists. One can talk to us. If we respect you, then you should also respect us'.

War crimes

Srebrenica Commission deadline extended FTV Fri, Oslobodjenje Sat pg 8 'Deadline to complete the work extended to 15 October' by Fena, Dnevni List Sunday pg 13 'Deadline for Srebrenica Commission extended by October 15' by NINA — DL carries an OHR's press release which says that the High Representative, Paddy Ashdown, has written to RS President Dragan Cavic and RS Prime Minister Dragan Mikerevic extending the deadline by which the RS Srebrenica Commission must complete its work and present its final report, until 15 October.

Nezavisne Novine, Saturday pg. 3 'Deadline for Srebrenica Commission was extended' not signed — RS Government reached a decision to extend a deadline for the completion of the work of Srebrenica Commission by October 15. As the Head of the Public Relations Bureau of RS Government, Cvijeta Kovacevic, has stated, the decision was brought in accordance with stance of the Office of the High Representative.

Glas Srpske, pg. 2 'Baptizing at the Parliament' by Z. Marceta carries the inset 'Srebrenica', in which it reports on the extension of the deadline.

VN int with Richard Prosper

Vecernje Novosti, Saturday pg. 2 'A cost must be paid' by <u>Dubravka Savic</u> - <u>Pierre</u> Richard Prosper, the US Ambassador for War Crimes Issue, gave a statement on the occasion of the forthcoming meeting between Serbian President Boris Tadic and US State Secretary Collin Powell. Among other things, Prosper stated: 'At the beginning of the next week, when the Serbian President is to meet the US State Secretary, it can be expected they would hold a discussion by which they would confirm it is the time to resolve the issue of cooperation with the Hague Tribunal for good. If we can resolve the "Mladic case", we will have a new situation that would create a possibility of having domestic trials, as well as approaching of Serbia and Montenegro to Europe'. In relation to the recent removals in RS, Prosper stated: 'We support the High Representative in his actions. One must pay the cost for nonacting or for the support to Karadzic. The message is that we have one person that negatively affects life of the entire population and lots of burdens and headaches - felt by RS - could be eliminated by a simple departure of Karadzic to the Hague'.

Audits

New audit
reports reveal
irregularities
in BiH Court
and
Prosecutor's
Office

RTRS Fri, Dnevni Avaz Sat pg 9 'Negative assessments for Court and BiH Prosecution', Dnevni List Saturday pg 9 'Prosecution and BiH Court got failing mark' by D. Polovina-Mandic, Nezavisne Novine, Saturday pg. 3 'Only two reports, out of eleven, were assessed positively' by R. Cengic, Glas srpske, Saturday pg.

4 'Money leaking everywhere' by N. Zelenovic,
EuroBlic, Saturday pg. RS3 'The Court and
Prosecution are the greatest squanders' by J. D. —
State Auditors Samir Musovic and Dragan Kulina on
Friday held a press conference presenting the
results of new audit reports into financial workings
of 11 BiH institutions. They said that the work of
the BiH Court and Prosecutor's Office were
assessed negatively, while the work of the Public
Attorney's Office and BiH Agency for State Service
were assessed positively and other audited
institutions have got conditional marks. They also
said that the Audit Service would publish 15 new
reports in the next several days.

BHTV 1 Fri — "Neither Court nor Prosecutors Office has reported equipment such as computers, furniture, etc, in amount of 537 000 KM for the BiH Court, and 278 000 KM in BiH Prosecution. This means that international bookkeeping standards have been violated, and there is great possibility that this equipment is going to be confiscated since it has not been reported properly" said Kulina.

Oslobodjenje Sat cover page, pgs 4-5 'Investigation on BiH Presidency's overspending' by <u>Azhar Kalamujic</u>
 Oslobodjenje carries that Kulina also confirmed that the State Prosecution has commenced with the investigation of the financial workings of BiH Presidency for the past year.

FTV Fri — "BiH Prosecution in several attempts has been submitting a report, and has been asking for explanations and additional documents and information [on BiH Presidency]," said Kulina. "We expect institutions on BiH level to adopt the systematic regulations on spending," said Musovic.

Raguz responds to audit report

Dnevni Avaz Sat pg 5 'It is possible that the demand
of McNair's special departments is to be rejected',
 mentioned on cover 'It is possible for McNair's
requested to be rejected' by <u>Husein Orahovac</u> — In an
 interview to DA, the president of the BiH Court
 Martin Raguz was asked to comment the negative
 assessments made on spending of BiH Court and
 presented by the auditors: "The Court did not spend
 a single pfening in non-transparent way. The remarks
 made by the Audit Office strictly refer to technical
 side of book keeping. We will correct those things."

Audit of FBiH Tax Administration

Nezavisne Novine, Saturday pg. 6 'Budget was overstepped for BAM 190,000' by R. Cengic — A report of the Audit Service reads that the Federation of BiH Tax Administration has overstepped certain budget items for 2003 for approximately BAM 190,000 and it also did not keep records on its incomes from forcible collection of taxes. Although the total expenses of the Tax Administration were less than planned, water supply expenses, telephone expenses and expenses for rent of warehouses were higher than planned. The Deputy Director of the Federation of BiH Tax Administration, Ivan Previsic, has stated: 'The Ministry of Finances is to be blamed for these omissions. On several occasions we asked from the Ministry to approve reallocation within our own budget, but it has failed to reply on our requests'. He added that the Tax Administration would have accomplished savings amounting more than BAM 1 million had it reallocated funds within the budget.

Audit of FBiH MoI

FTV Sat — Audit report of the FBiH Interior Ministry revealed certain irregularities in the spending finances in the institution, whereas 760.000 KM were overspent. Mevludin Halilovic, FBiH Minister of Interior claims that he did not have budget means at his disposal, and that the only thing he did was sign pay checks. "I could not expect better report having in mind the fact that FBiH MoI has regulations ... by which requests for budgetary means were submitted by Police Director and Administration Director," claims Mevludin Halilovic adding he warned FBiH Government and Ministry of Finances about these regulations saying they are opposite to the law on budget.

Economic and social issues

NN on
construction
of hydropower
plants on
Vrbas

Nezavisne Novine, Saturday cover and pg. 5 'Kozic and Klickovic are constructing hydropower station on Vrbas' by A. Sekulic - A contract on the concession for the construction of hydropower plants on Vrbas has not been signed as yet, nevertheless, judging everything, the leading firm that will participate in this project is "Gradjevinar" firm from Kraljevo. Although engineer Milos Radenkovic is formally at the head of the firm, it was found out unofficially that two former RS Prime Ministers - Dusan Kozic and Goiko **Klickovic** — actually stand behind this firm. Serb Sarajevo Court has several years ago issued a wanted circular for the two because of abuse of office and counterfeiting of documents. 'Dusan Kozic did represent "Gradjevinar" firm in pretender procedure', the Associate of the RS Minister for Power Engineering, Zdravko Milovanovic, has stated. Dusan Kozic on Friday stated for NN that he has nothing to do with "Gradjevinar" firm from Kraljevo. Asked to say what kind of a role he had when he represented "Gradjevnar" firm before the RS Government, Kozic said he did not know, he was not a lawyer and he added: 'This was a long time ago'. He refused to answer any further question by saying he did not understand anything because he is 'an economist and not a lawyer'.

SDA urges
authorities
not to accept
memorandum on
understanding
on pensions

Dnevni List Saturday pg 5 'Nevertheless, decreasing of pensions in FBiH is possible', mentioned on cover, by E.

Mackic and Slobodna Dalmacija Saturday pg 15 'Pensions must not be decreased' by F, Glas Srpske, Saturday pg. 2 'Srpska in old practice' by Srna — SDA Deputy President Seada Palavric appealed to the Governments of the RS, Federation of BiH and CoM not to accept the Memorandum on Understanding on Pensions, because this would lead to a significant decrease in the amount of pensions in the Federation of BiH.

Hadzipasic on pensions

FTV Sat — FBiH Government says that International Monetary Fund did not forbid payment of half of a pension from 2000, but that IMF only has suggested to take care of the system when estimating and planning for any kind of spending budgetary means. "In 2004 budget there is a budget for payment of pensions, and what is the most important is that we do have money, and we will pay that pension around 25 July" said Ahmet Hadzipasic, FBiH Prime Minister. "Categories which have the lowest incomes such as pensioners, disabled persons, will receive their pensions in cash and all these programmes we do together with IMF, this is not disputable and that will happen" added Hadzipasic.