

# Transcript of the International Agency's Joint Press Conference in CPIC

## CPIC/Media Conferences

1. The following attended the regular Press Conference held at the CPIC at 11:30 hours on Thursday 08 August 2002:

Agency	Spokesperson	Topic
a. OHR	Oleg Milisic	<ul style="list-style-type: none"><li>• The High Representative Meets Chairman of the Council of Ministers.</li><li>• The High Representative meets former Mayors of Sarajevo.</li><li>• The High Representative opens tax collection meeting.<ul style="list-style-type: none"><li>• The High Representative Judiciary Decisions.</li></ul></li></ul>
b. OSCE	Urdur Gunnarsdottir	<ul style="list-style-type: none"><li>• Election Commission decision on ballot printing.</li><li>• Corrections to a misquotation from yesterdays press conference in Banja Luka.</li></ul>
c. UNMIBH	Alun Roberts	<ul style="list-style-type: none"><li>• High Representatives decision to reform the justice system.<ul style="list-style-type: none"><li>• Unavailing of new UNMIBH slogan.</li></ul></li><li>• Cancellation of water supply system ceremony.<ul style="list-style-type: none"><li>• UNDP to open office in Srebrenica.</li></ul></li></ul>

d. SFOR	Major Scott Lundy	<ul style="list-style-type: none"> <li>• Open house at Dobrinja Public School.</li> <li>• SFOR temporary bridge removal.</li> <li>• Introduction to members of the German Battle Group.</li> </ul>
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2. Twenty members of the media and four television crews attended the conference.

3. The transcript of the questions and answers is attached.

*C. Barraud*

*Lt. Col. (FR A),*

*Chief Operations and Plans*

## **Oleg Milisic – OHR**

There are a few media advisories that I will start with.

First of all, the High Representative will meet with Dragan Mikerevice, Zlatko Lagumdzija and Dragan Mihajlovic, today at the Joint Institutions Building, that is at 12:30 this afternoon. There will be short press opportunity afterwards.

Basically, the meeting is concerning the funding from Bosnia and Herzegovina for the State Border Service. The High Representative is keen to ensure that Bosnia and Herzegovina meets the requirements placed upon it, to ensure State Border Service receives the funding it requires to enable full deployment.

Secondly, the High Representative will meet a group of former Mayors of Sarajevo tomorrow. The High Representative will be hearing the mayors present their positions regarding the organisation of the city of Sarajevo, as well as their views

on the current situation regarding refugee return and property implementation. Again there will be a media opportunity and we will be issuing a media advisory with details later on.

Thirdly, the High Representative will tomorrow morning at 11.00 at the Office of the High Representative open a working meeting with senior Entity officials, including Federation Acting Finance Minister Sefika Hafizovic and the Republika Srpska Finance Minister Simeun Vilendecic. The aim of the meeting is to resolve important issues with regard the single economic space in Bosnia and Herzegovina through effective implementation of the Excise Tax Allocation Mechanism.

Far from being a dry technical issue, as the High Representative has often heard, most recently during his visit yesterday to the Herzegovina wine producers. It remains the case that it is easier for example, to export to Germany than across Entities, this has clearly a detrimental effect on the Bosnia and Herzegovina economy as a whole.

On 8 July 2002, the inter-Entity, Brcko District Excise Allocation Mechanism Agreement was signed; it came into effect on 15 July 2002. This agreement was a major condition for the World Bank Public Finance Sectorial Adjustment Credit.

Correct implementation of this mechanism should provide the tax for excise tax to be paid only once in the Entity or fiscal jurisdiction where (taxable) products are consumed. In other words, tax will not be levied when the product is produced in one Entity and then levied again when it is sold in the other. Tax will effectively be levied only once, in the fiscal jurisdiction of final consumption or the sale of the product.

The maintenance of double taxation defines economic common sense and has been a major drag on efforts to attract investment to Bosnia and Herzegovina, to stimulate business and to create jobs. The authorities are to be congratulated

for their decision to abandon this particular aspect of Bosnia and Herzegovina's bizarre tax system and replace it with the excise mechanism. This is a major step towards consolidating the Single Economic Space, though much more needs to be done so that unnecessary fiscal, trade and business barriers maintained by the Entities do not continue to keep Bosnia and Herzegovina citizens out of work.

My final point is, regarding the decisions the High Representative issued two days ago, that we announced yesterday. You are probably aware, that the High Representative issued five decisions relating to judicial reform and more effective crime fighting in Bosnia and Herzegovina. The High Representative has made it clear that his priorities are justice, then jobs through reform and the decisions he has issued operationalise two of the key structures, the High Judicial and Prosecution Councils and the State Court. Which are designed to ensure Bosnia and Herzegovina's judiciary is independent, effective and has the tools necessary to fight organised crime and corruption.

Clearly it would have been more positive had these laws been passed by the domestic legislature, and the High Representative believes that his role is to be working in partnership with the domestic authorities to develop this and future initiatives on the criminal justice system. At the same time Bosnia and Herzegovina citizens can not afford to wait whilst legislation languishes endlessly in Parliament. I have brought along copies of the press releases, that we issued yesterday, I presume most of you have already seen them, thank you very much, that is all I have.

**Urdur Gunnarsdottir – OSCE**

Good morning.

I have only one lengthy statement for you and before I read it out, I want to remind you that even though OSCE is not

directly involved in elections, we do have a view on the election process and we do have two members on the Election Commission.

The OSCE Mission to Bosnia and Herzegovina rejects the unfounded criticism of the Union of Graphic Workers regarding the decision of the Election Commission to award ballot printing for the upcoming elections to an international firm. The decision was taken unanimously after thorough consideration of all bids. The only criterion for assigning the task to Allami from Hungary was the quality of the services offered. It was critical to find an immediate solution after the Election Commission rejected the Zrinksi Company request for more money, when it had already been awarded the printing contract. Otherwise election timelines, including Election Day itself, would have been seriously jeopardised.

And I quote, "It was the unanimous decision of the Election Commission of Bosnia and Herzegovina that Allami is the only company providing sufficient reliability, not only for printing more than 10 million ballots. But also for the correct and timely sorting and distribution of ballots to over 58,000 individual out of country voters and over 3,000 separate polling stations" said the Acting Head of the OSCE to Mission to Bosnia and Herzegovina, Ambassador Dieter Woltmann in a statement today. The full text of the statement is available outside. He added, "In order not to endanger the election date this was the only reasonable and responsible solution".

Ambassador Woltmann, who is one of the seven members of the Election Commission, stressed that the Commission bears collective responsibility for its decisions. And I quote again, "Unjustly, the Election Commissions President Ms. Lidija Korac, is often being singled out by unfounded personalised assumptions and suspicions. The decisions are the result of discussion among seven equals where neither Ms.

Korac's vote nor her opinion counts more than any other Commission members"

It should be noted that the ballot printing and distribution is not paid by the Bosnia and Herzegovina taxpayers. All money used for this purpose comes from international donations and as funds were not channelled through any public budget in Bosnia and Herzegovina, there was, under Bosnia and Herzegovina legislation, no need for a public tender. However, the Election Commission decided to invite for a public tender to ensure competitive offers and prices and in particular, to give Bosnia and Herzegovina companies a fair chance to take part in the bidding.

And I quote again, "The Election Commissions fundamental responsibility to provide voters with the best possible elections operations had to be a decisive factor, regrettably but necessarily ranking higher than the legitimate interests of the printing industry in Bosnia and Herzegovina" Ambassador Woltmann said. "I am aware of the serious economic and social situation in the printing industry of Bosnia and Herzegovina and I understand the disappointment of the workers and their unions that this contract could not be awarded to a local company. However, any attempts to suspect the Election Commission and its members of their integrity, unless founded on facts and proof, are highly irresponsible as they may undermine public confidence in the integrity of the whole electrical process".

I have a small correction, it is a misquotation from yesterday's press conference in Banja Luka, where our spokesperson was quoted as saying that the Election Commission had to justify its costs after Elections. He was actually referring to the fact that as any other independent body the Election Commission is accountable for its cost afterwards, not that it has to justify them in anyway, that is all from me.

## **Alun Roberts – UNMIBH**

Good morning from UNMIBH.

First of all, in regard to the process of establishing an independent, professional and efficient judiciary in Bosnia and Herzegovina, UNMIBH welcomes the decision of the High Representative Mr. Ashdown. To reform the justice system in Bosnia and Herzegovina, by his announcement of yesterday, including the High Representatives decision to give a new mandate to the Independent Judicial Commission.

Tomorrow, Friday 9 August in Sarajevo the Special Representative of the Secretary General Jacques Paul Klein will officially launch an UNMIBH sponsored tram, which will display a new UNMIBH slogan. A media opportunity on the occasion of the unveiling of the new UNMIBH slogan, will take place at the main gate of the JKP Gras Company, located at Velika Drventa No. 1 at 10:40 tomorrow morning, 9 August.

Yesterdays reopening ceremony of the water supply system at the Kamenica school in Teslic, where the water system had been restored as a result of the support from the UNMIBH Trust Fund, and at which Special Representative of the Secretary General Mr. Klein, expected to attend, had to be postponed. This was due to bad weather conditions. It is anticipated that the ceremony at the school will be re-held sometime in the next two weeks.

Finally, in regard to Srebrenica, and the planned economic recovery programme for that region, UNMIBH welcomes the statement yesterday of the Head of the United Nations Development Program, UNDP, in Bosnia and Herzegovina, Henrik Kolstrup, in which he described the involvement of UNDP. UNMIBH welcomes the decision of UNDP to establish a management team and open a UNDP office in Srebrenica. Which will begin to implement the economic recovery programme based upon the funding raised from the United Nations Donors Conference held

in New York a few months ago, that is all I have this morning.

## **Major Scott Lundy – SF0R**

Dobar Dan from SF0R. I have three points for you today.

My first point concerns today's open house at Dobrinja Public School, which is being hosted by Office of the High Representative and SF0R. SF0R's Civil-Military Co-operation branch, known as CIMIC has been involved with this worthwhile project for some time. SF0R, working closely with the community leaders, helped gain funding for the school's rebuilding from USAID and also assisted the reconstruction effort by co-ordinating de-mining certification for the site. At this time, the school has been rebuilt, now additional funds are required to buy furnishings, textbooks and other essential teaching equipment.

The Commander of SF0R is pleased to see that the local communities involved in this project have worked together to rebuild their multi-ethnic public school with assistance from the International Community. The Sarajevo Cantonal Minister of Education, the Mayor of Novi Grad and the Director of the Dobrinja Primary School have all given SF0R CIMIC their personal assurances that this school will give all of its students a good education, regardless of ethnicity. SF0R looks forward to seeing Dobrinja Public School open in time for the new school year.

My second point is about the SF0R-built temporary bridge located approximately eight kilometres Northwest of Mrkonj Grad on the road to Jajce. SF0R is pleased to announce that its temporary bridge will be dismantled as a result of the Republika Srpska government's completion of a permanent structure in the same location. Engineers and civilian contractors from SF0R will begin dismantling the temporary bridge on Monday, August 12. This project is scheduled to be complete on August 20 and is not expected to impede traffic.



Drivers may encounter heavy engineering equipment along the route near the work site and may also see portions of the disassembled bridge being transported away from the Jajce area. Those of you that are interested in covering this event should contact Lieutenant Commander John Coppard the Public Information Officer for Multi-National Division South West.

Finally, and I do not believe they are here, but I would still like to introduce you to members of the German Battle Group Public Information Office from Camp Rajlovac. Some of you may have dealt with them before, as they are responsible for many of SFOR's military activities in the Sarajevo Valley area. I encourage you to contact Lieutenant Colonel G?nter Pusch and his staff at Rajlovac to learn more about what the German Battle Group is doing here in Bosnia and Herzegovina. Lt. Col. Pusch's team can be reached by telephone at 033 454 096, and again I apologise they were to have been here today, that is all from SFOR.

**Oleg Milisic – OHR**

There is a question, I see at the back.

## **Questions and Answers**

**Q:           Jadranka Milosevic – FTV:**

A question for the SFOR spokesperson and the OHR spokesperson, what information do you have about the situation in Rati near Miljevinina, concerning the increased instability in the village, especially in view of the situation concerning the local cemetery, did the German troops increase their patrols in the area?

**A:           Major Scott Lundy – SFOR:**

I am personally not familiar with this particular issue, as it is quite specific. In terms of the German patrolling and the patrolling of all SFOR troops in Bosnia and Herzegovina, I can

tell that the intensity, the frequency and the number of vehicles and troops involved will all vary depending on the mission that they are going out to do. It would be unwise to draw any conclusions from a sudden influx of SFOR in any particular area, it does not mean that there is anything out of the ordinary. Our mandate after all is to provide a safe and secure environment across Bosnia and Herzegovina, and we do it in ways that gives us the greatest chance for success. In other words sometimes we will work heavily in one area for a short time and then you may not see us for a week or two and then you will see us again. We will not go into the reasons for that, other than to say it gives us the greatest likelihood for success.

**A: Oleg Milisic – OHR**

Speaking about Rati, the Office of the High Representative is currently collecting information, so at this point I cannot offer any precise information, as soon as we get more detailed information I will be glad to share it with you.

**Q: Nedim Dervisbegovic – Reuters:**

I have two questions the first is for SFOR. Local media have recorded Federation military officials as saying that, Radovan Karadzic has been using civilian vehicles, in pretty much the same area as you had an operation in on Monday evening. Is this rumour, it appears to be a rumour, in anyway linked with your operation, is that alleged report a tip, you received and acted upon?

**A: Major Scott Lundy – SFOR:**

To answer your question, Radovan Karadzic can move around in Bosnia and Herzegovina in a limited number of fashions, one of those would be using civilian vehicles. I do not know how else he would get around, but it is unlikely he would be using military pattern vehicles, unlikely he would have access to aircraft, so that pretty much narrows it down to civilian

vehicles...(Major Lundy, not able to finish his answer – interrupted by Mr. Dervisbegovic)

**Comment: Nedin Dervisbegovic – Reuters:**

The report says he was using vehicles, even some vehicles with the SFOR insignia.

**A: Major Scott Lundy – SFOR:**

No, that was not purpose of the operation, the purpose of that operation on Monday and Tuesday morning was to establish what three vehicles with SFOR markings were doing in the barracks of the 711<sup>th</sup> Brigade in the Foca-Srbinje area. We simply had a report and needed to confirm what was going on. We know, everyone in this room knows. That Foca area is one of many areas in that region, where there have been sightings of Mr. Karadzic in the past, but every time we operate in there does not mean we are looking for him. I think an important point for you all to hoist in, is that on occasion that may be the reason we are there. But we are there all the time and we do frame work patrols, speaking with the locals, all of that is done there, just as it is done throughout Bosnia and Herzegovina.

**Q: Nedin Dervisbegovic – Reuters:**

Do you have intelligence that he is using this kind of vehicle, to remind you Bosnian and Serb military used to do these kind of things during the war, for example when they used UN APC's in Srebrenica.

**A: Major Scott Lundy – SFOR:**

To answer your question, the misuse of vehicles with SFOR markings is something we are always on the look for. There have been reports in the past of people using vehicles that they are entitled to use during the day when they are employed by us, in some other way either in an illegal way or an

unauthorised way and wherever we get these reports we follow up on them. Yes I know that has happened in the past, particularly under other missions, it is a possibility, a remote possibility and in this case not the reason for our operation.

**Q: Nedim Dervisbegovic – Reuters:**

One for Urdur, you said the Election Commission did not have to publish a tender for the printing job, is that what you said?

**A: Urdur Gunnarsdottir – OSCE:**

Yes.

**Q: Nedim Dervisbegovic – Reuters:**

Was there not a way well in advance tell Bosnian companies, you have to do this, these are the standards, can you all get together. Was this not a nice opportunity to give this job to a Bosnian company, it would have been a small but welcome boost for many of them, why did you not try to find a way to give this job to them?

**A: Urdur Gunnarsdottir – OSCE:**

Again, I am now speaking on behalf of the mission, which has two members on the Election Commission, so you will have to see my answer as such. This is not the first election held in Bosnia and Herzegovina after the war and it is the same procedure again. This is the same procedure as the last election and the election before. Bosnian companies have had many, many years, they know exactly what the criteria is, it has not changed, it is the same and they are perfectly aware of it and if they really want it, they have to get up to those standards, they might have done more to reach them. As I have said, it was not according to the law, necessary to put out a tender, they did it anyway because they really wanted to give

it to a Bosnian company, but the guarantees that the Bosnian companies gave were simply not good enough. Because it is not only about printing, its about distribution, it is an extremely complicated process, as I read out in my lengthy statement.

**Q: Nedim Dervisbegovic – Reuters:**

So a Hungarian company can do it better?

**A: Urdur Gunnarsdottir – OSCE:**

Say again.

**Q: Nedim Dervisbegovic – Reuters:**

The Hungarian company can do it better, is it the first time they are doing a job in Bosnia or do they have experience of doing stuff like this in Bosnia, the Hungarian company can do it better you said?

**A: Urdur Gunnarsdottir – OSCE:**

I am not quite sure, because I have not been long enough. I believe the Hungarian company has done a similar job here in Bosnia before, but I will have to check that for you, before I say it for sure.

**Q: Fedad Forto – BH Press:**

Urdur, do you not think Bosnian's are able to make a simple piece paper for elections, after all one minute before you, Oleg spoke about economy, what can foreign investors say now about investment in Bosnia, when Bosnian's are not able to make a simple piece of paper?

**A: Urdur Gunnarsdottir – OSCE:**

It is not a simple piece of paper that is what I have been trying to say. If it were a simple piece of paper, this would not have come up. It is not only about printing a simple

piece of paper, it is about printing 3,000, extremely complicated separate pieces of paper, I think. Because there are different combinations and it is also a question of distribution to different countries, there are over 58,000 individuals out-of-country voters that need to get different combinations. You can have a different combination being sent abroad to the same household for instance you can have four people of the same family, but they are not all voting in the same way. It is extremely complicated that is the problem, it is not a simple piece of paper.

**Q: Merdijana Sadovic – ABC:**

Scott, you said on Tuesday that your inspection of the barracks in Foca found nothing. One thing is not clear to me, does it that mean there were no civilian vehicles in those barracks in the first place or is it possible that your troops maybe came to late and that those vehicles had already gone, by the time you arrived?

**A: Major Scott Lundy – SFOR:**

We had a very detailed inspection of the barracks that ultimately found no vehicles that matched the description we had. In the end all we can gather is that the information we received was either false or had happened so far in the past that by the time we got there, they had been and gone. We are still not certain as to why we did not find it, but we recognise that first they were not there and second that the information was unreliable.

**Q: Merdijana Sadovic – ABC:**

I suppose you cannot answer this question, but I have to ask anyway, who tipped you off?

**A: Major Scott Lundy – SFOR:**

You know we do not disclose sources.

**Oleg Milisic – OHR**

OK, if there is nothing further, thank you all very much.