



**Organization for Security and Co-operation in Europe**

**OSCE Mission to Croatia**

### **News in brief**

**10 December 2004 – 20 January 2005**

#### **Prime Minister Sanader attends Orthodox Christmas reception**

On 6 January 2005, Prime Minister Sanader, Parliament Speaker Seks and Culture Minister Biskupic attended a Christmas reception organized by the Serb National Council in Zagreb. In his address to the political and religious representatives of Croatian Serbs, the Prime Minister highlighted reconciliation, coexistence, diversity and mutual understanding between Catholic and Orthodox believers as the values on which Croatia is based. In his assessment of the year 2004, the President of the Serb National Council and Minority MP Milorad Pupovac stated that “since last year’s Christmas Eve gathering, when the Prime Minister gave an important message, inter-ethnic relations in Croatia have irreversibly assumed a dimension which can be considered normal and civilised...”

Prime Minister Sanader attended the celebration of Orthodox Christmas organized by the Serb National Council in January 2004. This was the first time since the independence of Croatia that a Premier was present at this function. At that occasion Prime Minister Sanader promised cooperation with minority MPs and that the Government would work on healing the wounds of the war.

#### **Ethnically related incidents take place in the context of religious celebrations**

In the context of the celebration of the Serb Orthodox Christmas several ethnically related incidents took place in the Croatian Danube River region. In three villages near Vukovar, some local Serbs showed *Chetnik* flags and hats, and pro-*Chetnik* songs were played over loudspeakers during the celebration. Minority MP Milorad Pupovac strongly condemned the incidents, adding that this proved that Croatia urgently needed a law banning the glorification and displaying of fascist symbols, particularly *Ustasha* and *Chetnik* insignia. Prime Minister Sanader stressed that the Government would not tolerate *Chetnik* symbols that continued to appear in the Croatian Danube River region. In the days following to those incidents some graffiti such as “kill a Serb” or “Ante Gotovina” appeared on some buildings in Vukovar, instigating further ethnic tensions.

#### **Following the resignation of Foreign Minister Zuzul and the announced departure of Deputy Prime Minister Hebrang, Prime Minister indicates a possible reshuffle of the Government**

Foreign Minister Miomir Zuzul tendered his resignation on 4 January amid corruption allegations by the media and the main opposition parties. In his letter of resignation, he defended his innocence although he recognized that the allegations had inflicted some political damage and that he did not want to burden the Government. While accepting his resignation, Prime Minister Sanader asked Foreign Minister Zuzul to complete the ongoing tasks related to the beginning of accession talks with the EU (due to start on 17 March).

As for a replacement, media carried statements of Prime Minister Sanader on saying that the “only things that matters [is] whether someone is a good politician” and naming the following persons as “serious candidates”: Kolinda Grabar Kitarovic, Minister for European Integration and Head of the Negotiation Team in charge of accession talks with the European Union; Hidajet Biscevic, State Secretary for Foreign Affairs at the Foreign Ministry; Goran Jandrokovic, Chairman of the Parliament’s Foreign Affairs Committee; Ivan Misetic, CEO of the national carrier Croatian Airlines; and Bozo Biskupic Minister of Culture.

In addition, Deputy Prime Minister and Minister of Health Andrija Hebrang has reiterated his decision to resign due to health reasons.

Following these announcements, Prime Minister Sanader indicated that he may reshuffle the Government in February in an interview with the Croatian Television on 5 January.

### **Ruling party and opposition agree to address conflict over Parliamentary procedures**

The ruling party and the Government have recently taken the initiative to lessen the political tensions with the main opposition parties which emerged in the second half of 2004 in the run-up to the presidential elections. The deteriorating relations reached their lowest point when the MPs of the main opposition parties – the Social Democratic Party (SDP), the Peasant Party (HSS) and the Peoples’ Party (HNS) – walked out a Parliament session in mid-December following a disagreement on the way of voting on the motion of no-confidence against Foreign Minister Zuzul.

Some political commentators witnessed an improvement of the climate between the ruling party and the opposition in the Parliament Presidency session of 12 January. At that time the parties agreed to draft amendments to the Parliamentary Rules of Procedure regulating the voting procedures, quorum and the conduct of debates. These changes were requested by the opposition. Progress in easing tensions was confirmed on 19 January when Government and Parliament agreed on three joint declarations regarding Croatia EU’s accession (on Croatia's readiness to start EU membership negotiations on the 17 March; on cooperation between the Government and Parliament in the negotiation process, and on the basic principles of the negotiations).

A number of elements have contributed to lessening the tensions. The main opposition parties welcomed the resignation of Foreign Minister Zuzul on 4 January; they had tabled a vote of no confidence against him in November.

The SDP President, Ivica Racam, declared, after a meeting with the Prime Minister and the Parliament Speaker on 6 January, that he was confident that an agreement could be found to put an end to the opposition boycott of voting in Parliament.

In addition, Prime Minister Sanader and the leaders of the parliamentary parties agreed on the organization of the negotiations with the EU, including the nomination of the Head of the Negotiation Team and the Chief Negotiator (Kolinda Grabar Kitarovic, Minister for European Integration, and Vladimir Drobnjak, previous Croatian ambassador to the EU and United Nations respectively). Moreover, a Parliamentary Committee has been set up to monitor the Croatia EU’s accession talks and it will be led by a member of the opposition parties.

### **Media coverage of the first round of the Presidential elections under criticism**

The first round of voting in Croatia's presidential elections was marked by several complaints on the media coverage of the elections. The complaints were presented by some presidential candidates and the State Electoral Commission.

Before the official start of the election campaign, the State Electoral Commission appealed to the media to ensure the implementation of articles 13 and 14 of the Election Law, which stipulate that all presidential candidates must be given equal media airtime.

Much of the criticism focused on the observance of these provisions. While less-popular candidates complained of the apparent favouritism by the media of the more-popular candidates, media representatives and the Croatia's leading election observation and support NGO, GONG, claimed that the law, and not the media, was to be blamed.

Another point of contention was whether the reporting of popularity polls during the pre-election period introduced a bias to voting behaviour. This resulted in a complaint being submitted to the Constitutional Court by three presidential candidates (each of whom received less than 2% of the overall vote in the first round) who claimed that Croatian Television (HTV) had violated the 48-hour electioneering ban by airing a "suggestive" opinion poll on its prime time news program just hours before the ban. In their complaint, also forwarded to the Mission, the three candidates called for a suspension of the first round of voting as well as the immediate resignation of the Director General of Croatian Radio and Television. On January 5, the Constitutional Court ruled that HTV had not violated the law because the ban was not yet into effect.

The President of the State Electoral Commission (SEC) also criticised HTV for publicly giving the estimates of the elections result on the basis of exit polls, and for marginalising the release of the results by the SEC at midnight.

Media representatives continue to call for legal changes to enable proportional rather than strict equality (as defined in the Venice Commission's Code of Good Practices in Electoral Matters) in the media coverage of election candidates. They also note that the current legal provisions prevent candidate debates from taking place in the first round because on the one hand duels between thirteen candidates are very difficult to organise and on the other duels with only the best placed candidates would be unfair to the other candidates.

### **State Agency for Transaction and Mediation of Real Estate (APN) under public criticism for purchase of Croatian Serb houses through falsified power of attorney**

Serb Minority MP Milorad Pupovac, speaking at a press conference on 9 December, stated that the State Agency for Transaction and Mediation of Real Estate (APN) was purchasing houses of Serb refugees without the consent of owners through fake powers of attorney allegedly forged by the mediators (normally real state agencies from Serbia and Montenegro). He urged the Government to immediately suspend the work of APN until the State Prosecutor's Office has reviewed the situation. He also urged the Government to initiate a revision of the purchase contract of '10,000 houses' signed by the Agency.

The Government created the Agency in 1997 to purchase real estate on behalf of the Republic of Croatia. Initially APN was particularly active in purchasing property belonging to Croatian Serbs in the re-integrated Danube Region to assure access to adequate housing to the displaced ethnic Croat population. Progressively APN shifted its geographic focus to

minority return areas, particularly by purchasing Croatian Serb properties to provide alternative housing for Bosnian Croat temporary occupants.

The work of APN has been criticised by Croatian Serb representatives and the print media over the last four years. As recently as October 2004, the Serb Interdependent Democratic Party (SDSS) disapproved of the increased efforts of APN agents in purchasing the houses of Croatian Serbs, and considered these policies 'ethnic cleansing' in that they were aimed at modifying the ethnic balance of some municipalities before the 2005 local elections.

Media have reported that APN purchased 156 houses through MIS-NS, a real state agency based in Serbia and Montenegro and suspected of conducting fraudulent and illegal activities of this kind. Media also reported that the State Prosecutor's Office and the Office for fight against Corruption and Organized Crime (USKOK) are conducting parallel investigations into the transactions and functioning of the APN.

These activities have caused damage to the property owners (mostly Croatian Serbs); to those Croats who were allocated these houses as housing care; and to the State budget.

### **Croatia adopts new legislation as first step for implementing EU Council decision to freeze assets of ICTY fugitives**

Croatia aligned itself with the Common Position of the Council of the European Union issued on 27 September 2004 as well as a Council Regulation issued on 5 October 2004 intended to freeze the financial assets of several ICTY fugitives, including fugitive General Ante Gotovina. The Common Position immediately entered into force and will remain in force for one year. Pursuant to the Common Position, all funds and economic resources belonging to Ante Gotovina should be frozen, with the exception of funds necessary for basic maintenance and legal fees.

However, a specific Government decision to seize the assets of Ante Gotovina has not yet been taken. In December the Parliament adopted the Law on International Restriction Measures, which came into effect before the end of 2004 and set up a mechanism for the adoption of restrictive measures against persons, organizations, and states. The imposition of restrictive measures requires the adoption of an individual decision by the Government.

The Law assigns the primary responsibility for proposal and implementation of restrictive measures on the Ministry of Foreign Affairs. Upon the Ministry's proposal, the Government is to establish a permanent body, composed of representatives from seven relevant Ministries with the Foreign Ministry as the Secretariat. This body will propose and monitor implementation of restrictive measures imposed by the Government pursuant to the law.

The Mission will continue to follow the Government's implementation of the Law's provisions and the adoption of a decision specific to seizing fugitive General Ante Gotovina's assets.

### **Political deadline for the return of private property expires with 855 claimed properties still to be returned to the owners**

Although the Government has significantly accelerated the repossession of private residential property, it failed to complete the repossession process by December 2004 in accordance with the commitments contained in the December 2003 *Agreement on Co-operation between the Future Government of the Republic of Croatia and the Representatives of the Serb Independent Democratic Party (SDSS) in the Croatian Parliament* (Agreement).

The number of occupied residential properties belonging to Croatian Serbs and allocated for 'temporary use', mostly to Bosnian Croats, under the 1995 Law on Temporary Take-over and Administration of Specified Property was 3,500 in January and fell to 1,197 in December 2004. Of this number, 855 are claimed by the owners while there are no repossession requests filed for the remaining 342.

The resolution of the 1,197 cases is expected to be finished in 2005. It is linked to the physical provision of alternative housing for the temporary occupants. To provide the remaining eligible occupants with alternative housing, the Government plans to purchase 400 additional Croatian Serb properties in the forthcoming months. In addition, construction works remain at different stages of completion in around ten new settlements throughout Croatia.

The President and Vice-president of the Serb Independent Democratic Party recently voiced concerns that the return of private property had not been completed in 2004 in accordance with the Agreement. SDSS officials also criticized the Commission for Return of Expellees and Refugees and the Return of Property set up by the Government in March 2004 for unsatisfactory co-ordination of the work of the State administration and judiciary regarding property repossession.

#### **Eastern Croatian Counties regulate their cooperation with civic organizations**

At a ceremony on 15 December 2004, the Prefect of the Osijek-Baranja County and the President of the Regional Forum of Slavonian NGOs signed a Charter for Cooperation. The Charter provides a framework for partnership between the Osijek-Baranja County and local NGOs and is aimed at regulating the relations between the County and the civic organizations in areas such as government funding of NGO projects, participation of civic organizations in policy and decision making processes and access to information. On 20 January 2005, a similar Charter on Cooperation was signed in the Vukovar-Sirmium County. The Mission had a role in facilitating the drafting process and participated in both ceremonies. Eastern Croatia remains at the forefront of initiatives to establish cooperation between local government and civic organizations.

#### **The Deputy President of the Council of Civil Society Development resigns**

The Deputy President of the Council for Civil Society Development (CCSD) resigned at the end of 2004 in protest against the 'de facto blockade' of the work of the Council and the suspension of the implementation of the National Programme of Action for Youth throughout 2004.

The Programme intends to implement a youth policy in line with the standards of the United Nations and the Council of Europe, and was adopted by the Parliament in January 2003 with an annual budget allocation of 70 million kuna. According to the Deputy President of the CCSD, the Programme received *de facto* no funding and support in 2004. In addition, he deplored that there is no budget allocation for the Programme in the 2005 budget draft.

He also complained that the draft Code of Positive Practices, Standards and Criteria for obtaining State's financial support was not adopted by Parliament. The draft Code contains the standards of transparency that the State administration, the Foundation for Civil Society Development and local self-government bodies would have to adhere in the review of and decision-making on financial support to NGOs. More than 100 representatives from civic

organizations, State administration and local governments participated in the drafting of the Code for four years.

Civic organizations working on youth policy, NGOs and youth branches of some political parties alike are not satisfied with this state of affairs because it prevents them from implementing their programmes. Therefore, they are organizing public protests about this situation.

The Mission remains concerned about this issue, as it has welcomed the establishment of the CCSD as the most relevant example of efficient co-operation between NGOs and governmental institutions.