

levying exceedingly high taxes, in some cases, on print media; the fact that during the June 1997 presidential election state media, particularly television, showed favouritism towards the HDZ; continuing publication of materials advocating nationality-based hatred, such as those appearing in the weekly *Hrvatsko Slovo* (Croatian Letter) and aimed at Serbs; the Law on Association (July 1997) containing regulations that appear to give arbitrary decision-making powers to registration bodies to decide on the future of NGOs and in some cases to disband them; and, the draft Law on Public Gatherings which would impose restrictive conditions on public gatherings and protests and stipulate that gatherings could be prohibited if they were considered a danger to the legal order or to violate decency.

The assessment of the situation in the region of Eastern Slavonia, Baranja and Western Sirmium was based on three visits to the region in 1997. The report states that while the situation in the Region was no longer highly volatile and the authorities had made some concessions, allowing for the return of displaced Serbs and their reintegration into society, serious problems continued to arise. Following on this, the report provides summary comments on, *inter alia*: personal security, noting continuing reports of harassment of displaced Serbs and collusion and participation by members of the Transitional Police Force (TPF) in these incidents, leading in some cases to corrective actions, including dismissals; returns of displaced persons, citing continuing tensions between the Region's original inhabitants and Serb displaced persons from other areas now living in the Region, attacks against groups of returnees, destruction and ransacking of returnees' homes and inter-ethnic violence and discrimination; discrimination against ethnic Serbs by Croatian authorities in, for example, employment, education, pensions and health care; failure to include representation of members of families of mixed origin in negotiations for reintegration of the public sector; the fact that amnestied persons had not yet been cleared from police records and, following on this, problems for such persons in such areas as travel and access to bank accounts; uncertainty among people as to the exact content and real meaning of the government's "final" list of 150 suspected war criminals and a later statement by a government representative that no such list existed; continuing problems for people in the Region to obtain the documents needed to remain there; and rejections of passport applications and, in some cases, the practice of verbal denials and others given without explanation. The report comments as well on violations of due process arising, in part, from: difficulties encountered in the reintegration of the Region's judiciary; concerns related to the need to appoint judges from the Region in proportion to their ethnic group's representation in the population; the high fees required for all lawyers to rejoin the Bar, the lapse in their membership having been caused by the war; and concerns related to the "Law on Validation" of documents and decisions issued by the former Republika Srpska Krajina courts and the Parliamentary proposal to render all those decisions and documents null and void.

The report also comments on progress in reintegration generally, including in the construction of housing units, rebuilding of damaged communal buildings such as schools and health centres, introduction of the Croatian currency (kuna), reintegration of public companies with Croatian counterparts, and integration of the electricity, post and telecommunications systems.

Based on these observations and comments, the report recommends, *inter alia*, that:

- ♦ the Croatian police further increase activities in the former Sectors, since the measures taken to date have not yet succeeded in restoring an environment of law and order;
- ♦ the government take affirmative steps to ensure that reconstruction and employment opportunities benefit Croats and Serbs equally;
- ♦ international donors continue to insist on good-faith efforts by the government to improve the situation of all residents of the former Sectors, including Croatian Serbs, as a condition for continuing international loans and credits;
- ♦ the Law on the Temporary Takeover and Administration of Specified Property be suspended immediately and the government and local housing commissions take effective steps to accelerate the return of Croatian Serbs to their homes, or ensure just compensation where such return is not possible;
- ♦ the government improve channels for dialogue with national and international human rights organizations as well as the Croatian Ombudsman;
- ♦ the problem of missing persons be dealt with as a top priority in order to avoid an impediment to the future coexistence of ethnic communities and for the peaceful reintegration of Eastern Slavonia;
- ♦ the overall welfare, health, education and social protection of children be addressed on an urgent basis;
- ♦ steps be taken to ensure that competent judges are never dismissed on the basis of their political opinion or ethnicity;
- ♦ effective measures — including legal action by the competent authorities — be taken to combat incitement of hatred, in regard to freedom of the media;
- ♦ steps be taken to ensure that persons coming to Eastern Slavonia, Baranja and Western Sirmium (the Region) from elsewhere in Croatia, including members of the Transitional Police Force, respect at all times the rights of local residents;
- ♦ in the Region, steps be taken to overcome such obstacles to reintegration as discrimination against ethnic Serbs by Croatian officials, reconstruction efforts be continued and legislation regarding the reintegration of the local judiciary finally be implemented;