

CIN 

Center for
Investigative Reporting

**Annual
Report**

2018



EMBASSY OF SWEDEN

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Draft bills to change
legislation and practice

**6**

Investigations

**5**

Court rulings in CIN's favor

What CIN Did in 2018

In 2018, the Center for Investigative Reporting (CIN) in Sarajevo uncovered numerous financial misuses of public money, and illegal activities by politicians, office holders and private businessmen.

In response to allegations in CIN stories, law enforcement and judicial agencies launched investigations.

Government changed rules and practice following the publishing of a story about politicians' abuse of allowances, followed by numerous initiatives to change laws and regulations.

CIN also won three administrative review cases against institutions that denied it access to public information.



" She knew perfectly well what she was doing. She wanted to get a 120-square meters apartment for free. "

Miodrag Stojanović
Welting's lawyer

Taxpayers Paid Dearly for Condo Milica Marković Got for Free

CIN reporters uncovered how Milica Marković, a veteran state legislator on the SNSD party ticket, got the RS government to pay for her five-room condo in Bijeljina without following legal procedure. The condo was paid for with fuel oil from emergency supplies worth nearly 150,000 KM. The deal involved directors of public companies and the current member of the BiH Presidency and the SNSD's president Milorad Dodik.

In 2001, the companies' directors were charged with damaging the RS budget with the intention of buying the condo. Eleven years later they were acquitted because Marković was not formally the condo's owner at the time and the budget was not damaged.

However, CIN reporters found out that a court later ruled in Marković's favor based on witness testimonies including from Dodik, Marković and the directors, and she got a deed to the condo in 2016.



148,362 KM

Value of fuel oil with which
the condo was paid



120 m²

Size of downtown Bijeljina condo



4

Court proceedings related
to the purchase of condo



80

Infographics



6

Databases



4

Photo stories



49

Videos

801,186

Unique video views
on YouTube channel

Multimedia Content

CIN readers also absorb information by word or via infographics which give an easy-to-understand overview of investigative topics. CIN journalists also shoot investigations in the form of video stories now being broadcast by dozens of TV outlets in BiH.

CIN does photo stories for some investigations in order to convey the facts and atmosphere from the field work more authentically and to help readers better see the problems being written about.

CIN created six new databases over the past year. Four were published alongside stories, but on a separate web page within the CIN news portal.

The amount of multimedia content on www.cin.ba doubled compared to 2017.

" I was feeling out of air when I would bend forward, and I had put up with this for around 14 days. I thought it was cigarettes. When it grabbed me and threw me down and when blackness fell over my eyes, I could not reach my car. "

Aldin Bejhanović
a Tuzla iron picker

Heavy metals found in soil on HAK
II's industrial compound in Tuzla



313.1 mg/kg

Levels of nickel

40 mg/kg

Benchmark level



1.42 mg/kg

Levels of cadmium

1.0 mg/kg

Benchmark level



23.6 mg/kg

Levels of arsenic

15 mg/kg

Benchmark level

Hazardous Waste Under the Feet of Tuzla Residents

The Federation of BiH Ministry of Environment and Tourism does not keep accurate and complete data about the types and amounts of hazardous waste. It has not identified all the "black spots" -- places around BiH polluted with toxic waste.

The government has neither the money to pay nor a plan for managing toxic waste.

CIN reporters found that for years Tuzla chemical companies produced toxic waste they did not dispose of properly. The compounds have long been shut down, but deadly waste remains in old complexes, within reach of iron pickers.

CIN reporters tracked down some black spots and had soil there tested. The result revealed levels of toxins dangerous for health and in amounts far above benchmark levels.

The FOIA laws opened up evidence CIN has used to prove waste and abuse of millions of dollars in public money.

**1,000**

Requests a year

**9**

CIN won administrative review cases after being denied access to public information

**3**

CIN won administrative review cases in 2018.

Struggle for Public Information

Every year CIN reporters send out several hundred requests for free access to information the government collects, most often about how public money has been spent. In many cases, institutions deny access setting off legal disputes that postpone access to information for months. This year CIN won three court cases against institutions that tried to keep public information secret.

- The District Court in Banja Luka ruled in CIN's favor in an administrative review case against the Basic Court in Banja Luka after the court denied access to the records on court-appointed lawyers' earnings.
- The District Court in Trebinje ruled for CIN in an administrative review case against University Hospital in Foča that refused to hand over information about donations the hospital had received since 2010.
- The District Court in Banja Luka ruled in CIN's favor in an administrative review case filed four years ago against the RS Ministry of Industry, Energy and Mining for withholding public information. CIN wanted to examine licensing contracts for mining coal, development and the use of water as well as the construction of a power plant in Stanari near Doboje.

" I don't have a condo. "

Refik Hankić

representative who owns
two condos in Sarajevo



Taxpayers Pay for Empty Apartments

The Federation of BiH Parliament has spent around 2.1 million KM on rent, utilities, living expenses and transport for representatives over three years and five months. CIN reported that most do not live in the apartments Parliament pays for. They let their children or other people live in them. They rented apartments from friends, cousins and acquaintances.

CIN uncovered that the Parliament paid for accommodation in Sarajevo for two representatives who owned their own condos in the capital. Had they reported this, Parliament would not have spent money for their rent. Instead, over three years and five months, taxpayers shouldered nearly 33,000 KM in costs for these two representatives.

In 2018, another 50 representatives claimed these allowances. After the CIN story was published, the rules were changed. From now on, representatives will have to show proof that they don't own real property in Sarajevo.



835,919 KM

Rents paid to the landlords



201,995 KM

Utilities paid on behalf of
representatives



608,613 KM

Living-away-from-home
allowance paid to representatives



363,735 KM

Transport allowances
for weekend trips home



*

Nino Bilajac

won an award from SEEMO

*

LGBTIQ AwardIndex of Equality in Employment
handed out by UN Women and
The Headhunter company

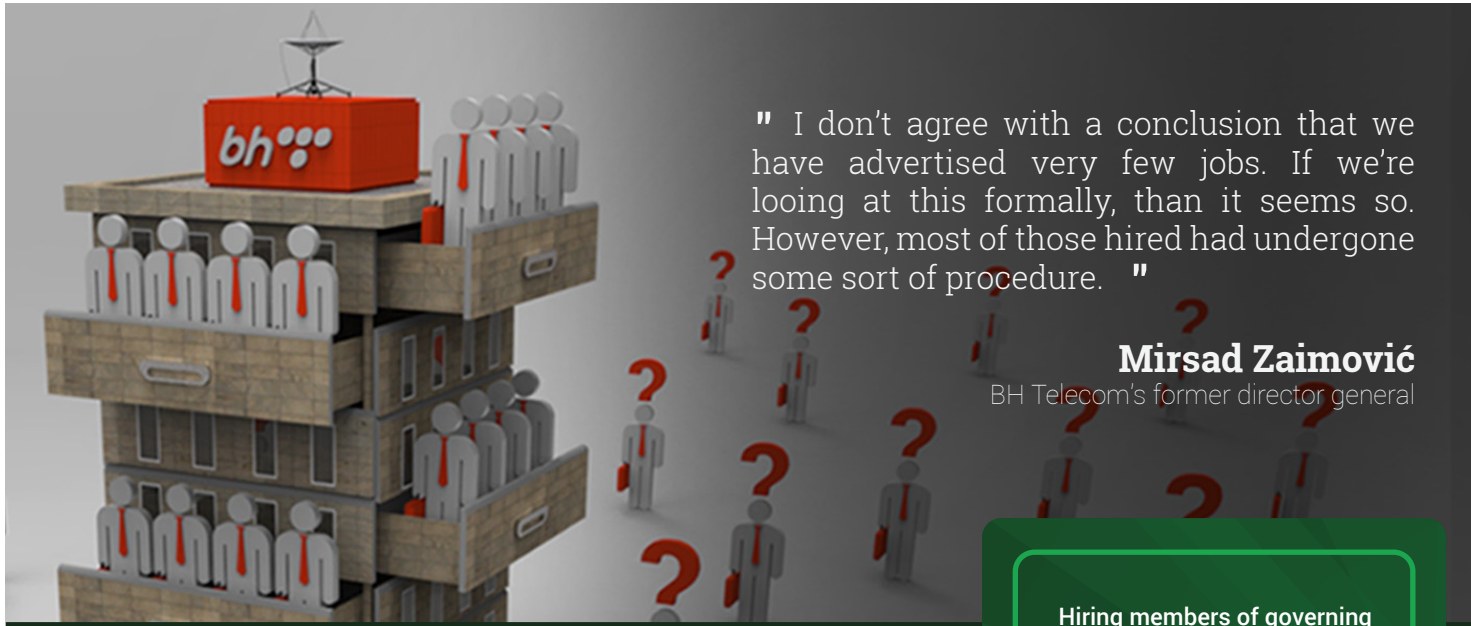
Awards

Every year CIN reporters win awards for investigative reporting given out by prestigious international organizations. Awards are recognition of the quality of CIN work and its commitment to work even better.

Reporter Nino Bilajac was named best young professional reporter in 2017 by the South East Europe Media Organization (SEEMO). An international jury of reporters and editors from six European countries made the selection after looking at applications from nine countries. In 2017, Bilajac and colleague Jelena Jevtić uncovered how legislators in the FBiH Parliament falsely claimed accommodation expenses in Sarajevo.

In 2018, CIN won an award for equality in employment from The Headhunter company under the auspices of UN Women.

In 14 years, CIN has received more than 30 awards and special mentions.



" I don't agree with a conclusion that we have advertised very few jobs. If we're looking at this formally, than it seems so. However, most of those hired had undergone some sort of procedure. "

Mirsad Zaimović

BH Telecom's former director general

Party Telecoms in BiH

Last year, CIN reporters uncovered irregularities in the hiring procedures of public telecoms and favoritism toward certain companies in public procurement. For years, HT Eronet and BH Telecom have hired members of governing parties and relatives of employees, without advertising vacancies. The FBiH government looked the other way, denying citizens equal employment opportunities. CIN found that BH Telecom management voided a job ad and bent rules in order to hire from a stable of candidates already selected by the governing parties to fill top positions in the company.

CIN revealed how BH Telecom invested at least 35.8 million KM in a downtown office building in Sarajevo, but it did not manage to fit all staff in it as it had planned. Sarajevo construction company OKI that sold the building to BH Telecom got a "sweetheart deal" at the tender procedure. CIN also uncovered that BH Telecom's officials tried to whitewash a million KM debt stemming from supplying a Kakanj-based Trafik with top-ups for cell phones.

Hiring members of governing parties and relatives of employees without advertising openings



35.8 million KM

Value of BH Telecom building bought in a sweetheart deal



1.2 million KM

Whitewashing of a private firm's debt

**1,130**CIN material published in
other media outlets**685**Web portals published
CIN's stories**425**Our videos broadcasted on
various television outlets**20**

Stories published in print outlets



Cooperation between CIN and other media

CIN work is available for free to all print, internet or broadcasting outlets willing to credit CIN as their source and to keep the content intact. CIN has counted over 1,600 appearances of our stories, videos, graphics, and quotes, reporters' public appearances, and reprints of older stories in 2018.

CIN significantly increased video production this year and its videos were broadcasted by various television outlets more than 400 times. A contract with the international broadcasting agency The Voice of America certainly contributed to this boost. It broadcasts CIN videos in its program Studio Washington that many BiH television stations carry.

CIN stories also found their way to the public through print media and more than a dozen news online portals throughout the country. In this way, fair and unbiased information, based on evidence and solid proof, is reaching ever more BiH citizens.



" Maybe I can put in another chemical, but If something gets burned or malfunctioned, no one is going to back me. "

Aleksandra Pejčić

Gradiška Hospital's lab's head said that she must use chemicals supplied by the maker of the donated equipment

Businessmen Donated to Hospitals, Then Profited

CIN reporters uncovered that by donating sophisticated machinery, medical supplier traders insure they could become exclusive suppliers to hospitals. The hospitals that took their gifts ended up spending millions on chemicals and supplies to keep the "free" equipment running.

CIN found that gifts were the ticket to securing contracts worth far more than the free machinery. For lab equipment worth 2.2 million, firms snagged contracts worth nearly 14.7 million KM.

Firms bypassed their competition by directly negotiating the contracts with seven hospitals. This type of procurement violates the general principle of equal treatment of bidders. Medical organizations should be searching for the best possible chemicals that would fit the donated equipment, but they failed to do this.



2.2 million KM

Value of lab equipment
donated to hospitals



14.7 million KM

Value of chemicals and
supplies to keep donated
equipment in use



Number of hospitals firms
concluded procurement contracts
with, minus any competition



The most viewed video
stories on Facebook

572,675

Veterans against Veteran
Organizations

458,526

Taxpayers Pay for
Empty Apartments

240,995

Taxpayers Paid Dearly for Condo
That Milica Marković Got for Free

203,008

Post Term Severance – Only
Those Who Did Not Ask Did Not Get



CIN on Social Media

Every year ever more citizens read CIN content on social media. In 2018, CIN offered its followers much more video and graphic content on stories that had nearly 8 million clicks.

Many readers are reporting corruption and problems via social media. CIN used some of their information in stories published in 2018.

CIN heartily thanks its readers for their trust and support.



38,000

Readers following
CIN on Facebook



4,000

Readers following
CIN on Twitter

" If I go to visit 1,600 associations – 1,000 of them have no address, no telephone number for contact, have nothing. I can approach, knock on the closed doors and go back. "

Amel Pervan
veteran



Cash for the President, Pennies for the Veterans

CIN reporters revealed that officials from the Tuzla Canton Alliance of Demobilized Soldiers misused taxpayer money for nearly a decade. Over six years it received around 1 million KM from the cantonal budget.

Former president Niaz Hodžić has been at large after being charged with embezzling 136,200 KM intended for the Alliance. Even though Hodžić was convicted of abuse of office, the Alliance's assembly did not terminate him and officials did not stop financing the organization.

The Alliance represents around 20,000 veterans organized into municipal chapters. CIN's investigation showed that most public money given to the organization was spent on management salaries, benefits, per diems, and discretionary spending. Veterans were left with pennies.

Nearly 1,600 veterans' organizations related to last war are registered in BiH.

Between 2012 and 2018,
veterans' organizations received
from the budget:



53.2 million KM
In the Federation BiH



27.4 million KM
in Republika Srpska



2.5 million KM
in Brčko District



Databases in 2018



976 million KM

Allocated as subsidies in BiH



83 million KM

Allocated for financing of veterans' organizations in BiH



35.8 million KM

Spent on salaries for legislators in state and Federation of BiH parliaments (2014 – 2018)

CIN's databases – source of information

Every year CIN publishes new databases and updates old ones. These databases contain thousands of fact-checked information and primary source documents hitherto hidden from the public by government bureaucrats. The databases enable citizens to inform themselves quickly on a variety of topics, and to find information they rarely have access to more easily.

In 2018, CIN published six new databases: "Donors of Medical Equipment"; "Expert Witness Appraisals"; "Financing of Veterans' Associations"; and "Financing of Veterans' Co-ops". CIN also published a database of subsidies based on records about nearly 1 billion KM of subsidies. CIN updated its database of "Politicians' Assets" by adding profiles of important politicians. There's also a sub database about the total income of elected office holders. On the CIN web page readers can find databases about public procurement, spending of the budget reserve, severance and other perks of politicians and office holders, earnings of court appointed lawyers, energy prospects in BiH and more.