

**CIN** 

Center for  
Investigative Reporting

**Annual  
report**

**2017**

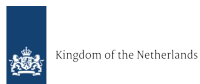


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## Editors

Aladin Abdagić, editor-in-chief  
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## Newsroom

Azhar Kalamujić, Renata Radić-Dragić, Ermin Zatega, Merima Hrnjica, Selma Učanbarlić, Sadeta Bajrović, Nino Bilajac, Jelena Jevtić, Nermina Kuloglija

## Production

Mubarek Asani, producer  
Eldar Muhić, camera

## Fact checking

Jasna Fetahović

## Photo Reporter

Dženat Dreković

## Graphic Designer

Ajdin Miljević

## Translator

Boris Mrkela

## Administration

Aleksandra Zelić, financial manager  
Jasmina Dervišević, office & HR manager

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## Contact

Center for Investigative Reporting  
Gabriele Moreno Locatelli 11  
71000 Sarajevo, BiH

**Phone:** +387 33 560 040

**Fax:** +387 33 560 045

**E-mail:** info@cin.ba

**Web:** cin.ba

“

They (stories) have been done so thoroughly and according to the highest journalistic standards, and along with it, directly, without beating around the bush, they are pointing a finger at the concrete people and obvious political and financial misuses.

**Mehmed Halilović**

expert in media legislation and laws



8

Investigations



7

Draft bills to change legislation  
and practice



3

Verdicts



1

Indictment

## What have we done in 2017?

In 2017, the Center for Investigative Reporting in Sarajevo (CIN) uncovered numerous financial abuses by politicians, office holders, representatives of the judiciary and private businessmen.

In response to allegations in our stories, law enforcement and judicial agencies launched investigations and filed indictments. Also, disciplinary proceedings against judges were conducted, and politicians gave up allowances after we had revealed misuses. CIN stories led to changes in law and regulations.



## WHERE DO OUT-OF-TOWN LEGISLATORS LIVE IN SARAJEVO?

“

I'd like to speak about the morality of the system that allows for these things to happen.

**Sanel Mušović**

lawmaker at the House of Peoples in the Federation of BiH Parliament

Every month, taxpayers pay on average 27,500 KM for the accommodation, commuting and living away from home allowances of the 35 out-of-town Federation of Bosnia and Herzegovina legislators during their work in Sarajevo. MPs find an apartment on their own paid by the House of Peoples, but mainly don't reside in them. According to the rules, no rented apartment, no allowance. Here's what they say about this...

## Fake Accommodation for Additional Income

CIN reporters have investigated legislators' abuses of accommodation, living-away-from-home and transport allowances at the House of Peoples in the Federation of Bosnia and Herzegovina Parliament. We have proven that most of the legislators have used loopholes for financial gain.

Those eligible for perks must have a domicile at least 70 kilometers from Sarajevo. Then, they are entitled to an apartment for when they are on

government business in Sarajevo, as well as to money for utilities and living expenses.

Reporters found that some legislators look for the cheapest accommodation deals and pocket much of their allowance. Some let others live in the places the government rents and pays for them – their children, or their landlords with families, or just other tenants. Lawmakers often rent in old and decrepit buildings or on the outskirts of Sarajevo, far from the FBiH Parliament's building and they have no use for such places.



**35**

legislators



**825,000 KM**

In accommodation allowances



**1,210,000**

Views and reads of the story on social networks

“

In many cases, investigative reporting leaves me also with an essayistic, photo story. Each new interview or a piece of information that a reporter obtains, might be a new metaphor for me. My photos are of social character because in social I see creative and truthful.

**Dženat Dreković**  
a CIN photo reporter



51

Infographics



31

Videos



1

Database



2

Photo exhibitions



1

Comic

## Multimedia Content

In 2017, CIN combined various media forms for content that accompanied investigative stories.

We have illustrated investigative stories with infographics that speak about topics in a picturesque and simplified manner. For viewers, who lack the patience to read stories, we provided video.

We have published a database about reimbursements to court-appointed lawyers.

We have organized exhibitions in two towns featuring 40 photos that Dženat Dreković shot in Bosnian prisons. Photos have originated from reporting.

We have also published a comic, as a unique form in investigative reporting with authentic content: photos, quotes and individual amounts of accommodation, living-away-from-home and transport allowances used by legislators at the House of Peoples of the Federation of BiH Parliament.



“

How can one man physically cover so many defenses...No one in his right mind can counsel more than five cases at the State Court and more than six at a Cantonal Court.

**Vasvija Vidović**  
lawyer

## Court-appointed Attorneys: Between Justice and Profit

CIN reporters have put a spotlight on the work of court-appointed attorneys. Their investigation revealed that some lawyers use shady tactics to get clients – such as having prosecutors or court police officers influence the choice of suspects. We have also uncovered that some lawyers bribe witnesses to alter statements to the benefit of their clients.

Along with this investigation, CIN created a database about reimbursements to court-appointed attorneys between 2010 and the end of 2016. It showed that the 10 most active court appointed lawyers earned nearly 17 percent of all reimbursements.



**1,250**

Court-appointed attorneys



**76,3 million KM**

Reimbursement to attorneys



**12,75 million KM**

Sum earned by the 10 most active attorneys

**Omar Mehmedbašić**

The most successful lawyer with earnings worth

**4.3 million KM**



“

If you don't have quality reporters to report in a quality manner, then oftentimes there are situations in which disinformation (prevails) and defamation cases are submitted and so on.

**Jasminka Džumhur**  
ombudswoman

**1,000**

Requests a year

**8**

CIN won administrative review cases after it had been denied access to public information

**2**

CIN won administrative review cases in 2017.

## Struggle for Public Information

Every year CIN reporters send out more than 1,000 requests for free access to information, most often about the way public money has been spent. Access to information in BiH is not easy. In many cases, institutions try to avoid responding and the struggle for information can last for months. According to law, information represents a significant public good and access to it stirs institutions to more transparent and responsible work.

Through the end of last year, CIN won eight cases against the institutions that did not respect the Law on Freedom of Access to Information.

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



“

He who knows business, construction, employment and world-renowned investors can surely know the best how to lead the state. When the price of real properties at the coast becomes optimal, then they will be sold, and the profit will be invested into a new mega tower in Sarajevo.

**Fahrudin Radončić**

for Dnevni Avaz, the day after our story was published

## Fahrudin Radončić's Montenegrin Paradise

CIN reporters investigated how the leader of the Alliance for Better Future, Fahrudin Radončić, acquired properties and company shares in Montenegro worth more than 11 million KM. Money for his investments there came from Sarajevo-based Avaz and Avaz-Roto Press which he gave or sold to his former wife Azra Radončić in mid-2012 following their divorce.

One of the properties he acquired after

taking out a loan of over a million from a Montenegro bank. Formally, Radončić is not the owner of the two firms, but documents collected by reporters show that, if he wanted, Radončić could still exercise control over Avaz- Roto Press business decisions. Breaking with his companies was a way for Radončić to avoid getting entangled in conflict of interest when he was appointed BiH Minister of Security in November 2012.



4

condos in "Porto Montenegro"  
marina for

▾ **9,1 million KM**



**250,000**

shares in Montenegro  
Telecom for

▾ **1,95 million KM**

“

It is important to get an award because it is a recognition that you have done your job well. At the same time, the awards are making us more committed to continue investigating and reporting about illegalities and injustices in our society.

**Jasna Fetahović**  
CIN reporter



**Jasna Fetahović and Azhar Kalamujić** won 2016 “Reporter of the Year” award from BiH Association of Journalists

\*

#### **LGBTIQ Employment Equality Index Award**

organized by UN Women and The Headhunter company

\*

#### **Under auspices of the UK-based Thomson Foundation,**

**Nino Bilajac** was shortlisted for a Young Journalist Award. The list included just 10 reporters chosen out of 236 applicants from 60 countries.

## Awards

In 13 years, CIN has received some 30 awards and special mentions.

It won the prestigious Daniel Pearl award given by the International Consortium of Investigative Reporters. It also won a European SEEMO special mention and awards from the EU and BiH Anti-Corruption Civic Organizations’ Unified Network (ACCOUNT).

Awards recognize the quality of CIN’s work, while the quest for a better society and our readers’ commitment push CIN to keep on working hard.



“

If someone took from your account 3.4 million KM for the work they have not done, which they could not have done, which they did not even have the intention of doing...I see that as a business tragedy.

**Živodar Bosančić**

the executive director for legal issues in Putevi RS

## Errors that Cost Millions of KM

CIN reporters reviewed 22 public procurement procedures in which the Procurement Review Body (PRB), an independent institution that monitors implementation of the Law on Public Procurement, ruled over combined damages of nearly 12 million KM. Reporters found that public institutions and public companies had to pay half of this money because of bad decisions by the PRB.

The investigation found that, unlike public institutions which are sanctioned for errors, the PRB members' bad decisions have not been punished because the Law does not hold them accountable.



**22**

times PRB ruled that bidders were damaged in public procurement



**12 million KM**

was a combined indemnification to private companies



**5**

times PRB made a bad ruling on appeal



**6 million KM**

Is the amount of indemnification paid from the budget because of PRB's bad decisions



“

I like reading CIN. It is very boring, but it is very... Those stories, one can see that they have put in the effort, that it's been done professionally, that they've gone the extra mile and that they've offered something that is relevant...but I want to tell you that this is how I imagine journalism. So, it's something that won't give the story's subject peace of mind.

**Srđan Puhalo**  
psychologist and blogger



770

Publishing of CIN material in  
other media outlets



70

Web portals published CIN's  
stories

## Cooperation between CIN and other media

CIN work is available for free to all partner organizations, whether they are print, internet or broadcasting outlets that credit CIN as their source and keep the content intact.

In this way, fair and unbiased information, based on evidence and solid proof, can reach ever more BiH citizens.

Stories have been published on more than 70 various web portals and nearly all private and public broadcasting corporations and print media outlets in the country.

Other media outlets in BiH and the region have republished CIN stories 770 times.







“ Because I had enough of those black suits, the customs uniforms (visiting) every day. I could not breathe because of them...I don't do that anymore. As Rojs (a populist Croatian politician) said 'who grabbed, grabbed.

**Tihomir Matošević**  
a director of Vitez-based TIOIL

## Biodiesel Alchemy

CIN reporters uncovered how fuel importers found a loophole that enabled them to import huge amounts of diesel blended with bio-diesel and avoid paying fees and tax.

Over three years, fuel traders sold biodiesel to unsuspecting gas station customers in BiH.

While customers paid the full price for diesel, what actually went into their vehicles was an inferior biofuel-mix.

Reporters revealed how some traders figured out that a mixture of two-thirds diesel and one-third bio-diesel was exempted from excise tax and toll fees – 55 pfennigs per liter – that importers of pure diesel must pay. Traders raked in profit while the state lost revenue and customers were fooled.



**10 million liters of  
bio-diesel**

Fuel traders have sold to their  
unknowing customers



**55 pfennigs per  
liter**

Extra profit

**By not paying excise tax  
and toll fees, fuel traders  
have cheated the state  
budget**

“  
Respect and I wish you all the best in setting the road for independent and socially minded journalism.”

“  
If it weren't for you many things would not be revealed. Keep up the good work.”

“  
Congratulations, you are doing great work on tough topics so that citizens get to know a bit better who and in what way is ruling the country.”

“  
One of the rare positive examples from our country. Kudos to your persistence and professionalism.”

### Messages from the readers

[Contact Us](#)[Send Message](#)

Media/News Company in Sarajevo, Bosnia and Herzegovina

4.9 ★★★★★



## 8,193,687

Times CIN announcements have been seen on Facebook



## 28,500

Facebook followers



## 2,500

Readers following CIN on Twitter

## CIN On Social Networks

Every year ever more citizens read CIN content on social networks.

Also, many are reporting corruption and problems via social networks. Some of this information has been used in stories CIN published in 2017.

We want to thank faithful readers for their trust and support.



“As a prosecutor, I’m positive that they have not met the requirements and that they had been granted them only because these officials received money in exchange for benefits.

**Goran Rubil**  
Doboj Prosecutor

## A Bribe for Freedom

CIN reporters found that inmates bribed prison personnel for furloughs. The investigation showed that some inmates committed new crimes during furloughs, or ran away from the Bosnian justice system without serving their full terms.



**13**

Prisons



**2,100**

Prisoners



**400**

Prisoners who used the benefits



**35**

Inmates at large because they did not return from furloughs

## Databases



Donations to BiH Hospitals



Public procurement



Severance pay



NGO Spending



FBiH Pardons



Politicians' Assets



Energy Prospects in BiH



Budget Reserve



Enterprises' Assets



Employment Loans



**13**  
Databases

**BiH Politicians' Assets**

Contains records about real property, income and career of 200 politicians and office holders

**Public Procurement**

Contains records about procurements worth

▣ **7,5 billion KM**

**Post-term severance**

Contains records about 476 office holders who have received at least

▣ **8,5 million KM**



Attorneys' Earnings



Government Commissions



Pension Contributions Debtors

## CIN's databases – source of information

CIN has created 13 databases that contain thousands of fact-checked records and primary source documents hitherto hidden from the public eye. These databases enable citizens to inform themselves in a simple way about various topics, as well as, to find information they are interested in.

On the CIN web page you may find databases of politicians' assets, public procurement, budget reserve spending, post-term severance for politicians and office holders, reimbursement to court-appointed lawyers, energy prospects in BiH and others.

These databases represent a major contribution to transparency of the authorities and public institutions, as well as to prevention of corruption.

On top of journalism, CIN is also doing the work of public administration, which should publish records of public importance on their internet pages.