

FOIA MARKER

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Folder Title:

Bosnia - February 1995 [5]

Staff Office-Individual:

European Affairs-Vershbow, Alexander

Original OA/ID Number:

850

Row:

34

Section:

1

Shelf:

10

Position:

1

Stack:

V

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001a. memo	For Attached. Subject: Background Papers on Balkan Issues. (1 page)	02/07/1995	P1/b(1)
001b. paper	Bosnian Serb Dominance. (3 pages)	02/06/1995	P1/b(1)
001c. paper	Zagreb/Belgrade/Sarajevo. (4 pages)	02/06/1995	P1/b(1)
001d. paper	Severe Fighting Could Erupt. (4 pages)	02/06/1995	P1/b(1)
001e. paper	Prospects for Spillover. (2 pages)	02/06/1995	P1/b(1)
001f. paper	Macedonia. (3 pages)	02/06/1995	P1/b(1)
002. cable	re: Deputy Assistant Secretary Frasure Meetings. (3 pages)	02/18/1995	P1/b(1)
003. memo	For Anthony Lake from Leon Fuerth. Subject: A Premature Funeral for Plan B? Record ID: 9520230. (1 page)	02/21/1995	P1/b(1)
004. cable	re: Milosevic Stiffs the Contact Group. (3 pages)	02/19/1995	P1/b(1)
005. cable	re: Luncheon with Milosevic. (4 pages)	02/17/1995	P1/b(1)
006a. memo	For Anthony Lake from Don Kerrick. Subject: February 21 Principals Meeting on Bosnia. Record ID: 9520218. (2 pages)	02/21/1995	P1/b(1)
006b. agenda	Deputies Committee Meeting on Bosnia and Croatia, February 22, 1995. (1 page)	02/21/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F

vz2673

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006c. cable	re: Contact Group Western Caucus. (2 pages)	02/20/1995	P1/b(1)
006d. cable	Duplicate of 004. (3 pages)	02/19/1995	P1/b(1)
006e. cable	Duplicate of 005. (4 pages)	02/17/1995	P1/b(1)
007. paper	Support for the Federation - 505 Agreement. (3 pages)	02/17/1995	P1/b(1)
008. table	Plan B Implementation Issues. (3 pages)	02/16/1995	P1/b(1)

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001b. paper	Bosnian Serb Dominance. (3 pages)	02/06/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F
vz2673

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National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

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001d. paper	Severe Fighting Could Erupt. (4 pages)	02/06/1995	P1/b(1)

COLLECTION:

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FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F

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001e. paper	Prospects for Spillover. (2 pages)	02/06/1995	P1/b(1)

COLLECTION:

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European Affairs (Alexander Vershbow)
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FOLDER TITLE:

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001f. paper	Macedonia. (3 pages)	02/06/1995	P1/b(1)

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National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

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United States Department of State

Washington, D.C. 20520

UNCLASSIFIED

FAX COVER SHEET

TO: Don Kerrick

FAX NO:

TEL NO:

FROM: Phil Goldberg

FAX NO:

TEL NO:

SUBJECT:

This transmission Consists of a Cover Sheet plus
Page(s)

3

UNCLASSIFIED

Dear Chris.

I had a thorough and frank conversation with Milosevic in Belgrade. Using it as a basis I would like to share my assessment of prospects for possible next steps in the settlement. While doing so I am proceeding, as I think, from common understanding reached within the Contact Group: limited time that we have obliges us to act energetically, taking considered steps and by all means jointly.

Latest developments prove that it is Belgrade that holds the central role in the resolution of the crisis. Milosevic's agreement with the peace plan, his commitment to a comprehensive political settlement constitute a potential for movement along two major tracks: a stage-by-stage normalization of relations between the FRY and neighboring countries and especially the prompt ending of the Bosnia crisis. Milosevic assured me that the number of those who favored the Contact Group plan among the Bosnian Serbs had grown dramatically. They are businessmen, prominent political and public figures, members of the Assembly who formed another so-called Club of support for the peace plan. Serbian leadership intends to continue active work to increase the number of supporters of the peace process and expects to tip the balance of forces in its favor quite soon.

Things would go much faster, according to Milosevic, had the international community shown more understanding of his difficulties. He thinks that he has "given away" too much already without being adequately rewarded and now he is facing still new demands. He told me with frustration that in the eyes of Serbs and himself the Contact Group had practically lost its credit.

Under these circumstances it took great efforts to persuade Serbian leadership not to dismiss new initiatives off-hand and to receive the Contact Group in Belgrade. I told him that the situation could not be helped by mounting reproaches and resentment. True, Belgrade does a lot, but the situation has not considerably changed for the better, and the danger of a new war is growing bigger. At the same time interaction of Belgrade with the Contact Group requires progress on sanctions. This is clear as never before.

passed to Tolbooth
by Rus Amb
Belmont
2/21 11am
S
S/S
D-PK
F
Evel
S/Nic
S/r

I believe that we have a chance in our work with Belgrade. Milosevic understands that sooner or later the issue of normalizing relations, above all with Bosnia and Herzegovina and with Croatia, will have to be settled. But movement towards this is only possible in stages, without overloading the boat. At each stage the demands should be established with account taken of real possibilities for each side. There is a lot of positive in this direction, but there are difficulties as well which cause legitimate concern in Belgrade, Sarajevo and Zagreb, and these have to be removed.

But still the Bosnian dimension continues to be the key element. Along with prodding Pale towards adoption of the peace plan it is necessary, at long last, to make clear the future constitutional arrangements for BiH. If we move forward here then the resolution of the issue of mutual recognition and, consequently, of comprehensive political settlement in the former Yugoslavia, will go on more smoothly.

Now on the central issue - the issue of sanctions. This knot should be untied, otherwise the whole process will come to a halt. I think that we should not corner ourselves by taking an all or nothing approach. The room for maneuver here: an agreement by Milosevic to move along the path of normalization and firm support by Belgrade for the peace plan for Bosnia are rewarded by meaningful alleviation of sanctions.

In view of your proposal to jointly work with the Serbs I have probed Milosevic's attitude towards this idea. This course of action will not be fruitless should flexibility be displayed vis-a-vis Belgrade. (We have not informed other members of the Contact Group on this last issue.)

Same messages have been sent to other Contact Group foreign ministers as well.

Andrei

February 19, 1995

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OFFICE OF THE VICE PRESIDENT
WASHINGTON

February 17, 1995

MEMORANDUM FOR TONY LAKE

FROM:

LEON FUERTH

SUBJECT:

Controlling Release of FRY Frozen Assets
under Plan B

One of the most important implementation issues underlying the Contact Group's Plan B offer to Milosevic is how to manage release of frozen assets. If the international community fails to handle this issue properly, Milosevic could get a massive infusion of cash that he can use to rectify his economy's most pressing problems or -- if the worst happens in Croatia or Bosnia -- finance a Serbian spring offensive. In the longer term, a maladroit release of assets will also give Milosevic significant advantage over the other Yugoslav successor states by helping him increase his creditworthiness while saddling others with a disproportionate share of outstanding Yugoslav debt.

Blocked assets include bank deposits, credits, debts, real estate and tangible property. We have a good idea of what is frozen in the U.S., but it is less clear how much is held by other governments as many were not as rigorous as we were in seizing assets in the first place and some have since allowed the Serbs to draw on frozen accounts to buy humanitarian goods.

Issues to address in releasing blocked assets include

- determining ownership (successor state issues are not yet settled)
- paying depositors, creditors, and other claimants (the Yugoslav institutions and firms whose assets were frozen owed a lot of money to a lot of people -- including numerous U.S. citizens and firms; those creditors have valid claims for payment if assets are unfrozen)
- payment of war reparations and other penalties

~~SECRET~~

Declassify on: OADR

DECLASSIFIED
PER E.O. 13526

✓ 10/1/2013

The U.S. Government should seek a thorough international inventory of frozen assets as a first step to their orderly distribution. Then, there should be a meeting of financial and banking experts to discuss how to unblock assets with due provision for the rights of successor states and creditors. We should continue to insist on resolution language mandating that assets not be released until ownership is resolved and legal rights of successor states, creditors, and other claimants are protected.

Remember that Milosevic is a banker. He will find it hard to object to such a process, while he certainly will be quick to take advantage of any openings we give him. So long as our approach requires that claims of others be adjudicated, the time frame for releasing frozen assets is relatively long, which tends to deny Milosevic short-term access for purposes we might find objectionable and preserves some leverage for settling other issues.

~~SECRET~~

~~SECRET~~

20198

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

February 21, 1995

MEMORANDUM FOR

MR. LEON FUERTH
Assistant to the Vice
President for National
Security Affairs

MR. LEON E. PANETTA
Chief of Staff to the
President of the
United States

MR. KENNETH C. BRILL
Executive Secretary
Department of State

MR. DOUGLAS GARTHOFF
Executive Secretary
Central Intelligence Agency

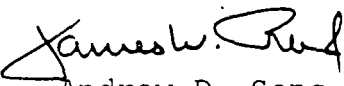
COL. ROBERT P. MCALEER
Executive Secretary
Department of Defense

COL. T. R. PATRICK
Executive Secretary
Joint Chiefs of Staff

AMBASSADOR RICK INDERFURTH
Office of the Representative
of the U.S. to the United
Nations

SUBJECT: Summary of Conclusions, Principals Committee Meeting on
Bosnia and Croatia, February 13, 1995 ~~(S)~~

Please pass to the Principals the Summary of Conclusions attached
at Tab A. ~~(S)~~


for Andrew D. Sens
Executive Secretary

Attachment
Tab A Summary of Conclusions

DECLASSIFIED E.O. 13526
White House Guidelines,
September 11, 2006

By VZ NARA, Date 5/28/2014
2013-0687-F

~~SECRET~~

Declassify on: OADR

~~SECRET~~

~~SECRET~~

~~SECRET~~

20198

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

Summary of Conclusions for
Meeting of the NSC Principals Committee

DATE: February 13, 1995

LOCATION: White House Situation Room

TIME: 6:00 - 7:00pm

SUBJECT: Summary of Conclusions of Principals Committee Meeting
on Bosnia and Croatia ~~(S)~~

PARTICIPANTS:

Chair

Anthony Lake

CIA

Douglas MacEachin

OVP

Leon Fuerth

JCS

Admiral William Owens

State

Peter Tarnoff

White House

Samuel Berger

Nancy Soderberg

DOD

Dr. William Perry

NSC

Alexander Vershbow

USUN

Ambassador Madeleine Albright

Summary of Conclusions

1. Principals met to review the U.S. position on additional sanctions relief for Milosevic in return for Serbian recognition of Bosnia, Croatia and other former Yugoslav republics within their existing borders. While they agreed that mutual recognition, in itself, will not lead to political settlements, the possibility that recognition might alter the strategic equation and head off a new war in Croatia justified the risks of our support. Therefore, Principals authorized our Contact Group representative to agree to offer a total suspension of sanctions on the FRY in return for mutual recognition, subject to the following conditions:

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Declassify on: OADR

~~SECRET~~

A. Conditions proposed by State:

- that Milosevic's recognition of Croatia, Bosnia, Macedonia and Slovenia in their internationally recognized borders be genuine and unequivocal;
- that sanctions be suspended for 2-month periods, with a positive vote by the UN Security Council required to renew each time;
- that the sanctions enforcement regime against the FRY remain in place, so that sanctions can be reimposed on short notice;
- that the "outer wall" of sanctions be kept in place, i.e. measures going beyond UNSC resolutions: no assistance from the IFIs or the EU; no granting of a UN seat to the FRY; and no readmission to OSCE (for our part, we would not recognize the FRY at this time);
- that there be a significant toughening up of the monitoring regime on the Bosnia/Serbia and Croatia/Serbia borders, including several hundred more monitors plus equipment such as radars to help deal with the helicopter problem;
- that there be continued firm adherence by Milosevic to the Contact Group plan for Bosnia;
- that Milosevic endorse the principles in the Zagreb-4 peace plan for Croatia, i.e. the reintegration of the occupied areas under Croatian sovereignty, with autonomy for historically Serb-majority areas; and
- that nothing be done to in any way affect the commitment to the War Crimes Tribunal.

B. Additional conditions added by Principals:

- that before we pursue Milosevic's recognition of Croatia, we insist that Tudjman agree to extend UNPROFOR's mandate in return for recognition.
- that the sanctions relief not go into effect until after the inter-Serbian border is more tightly closed and the Europeans have deployed the additional monitors required; and

-- that we secure Tadjman's agreement to terminate economic relations with the Krajina Serbs, since this could undermine the effects of Milosevic's cut-off of support to the Krajina and permit the Bosnian Serbs to receive support through the back door.

2. Principals directed our Contact Group representative to put down a marker that, if this initiative fails and the war resumes, our partners will reciprocate our flexibility by supporting the kinds of coercive measures against the Bosnian Serbs that they agreed to previously but never implemented. We would not, however, make their commitment to such measures a quid pro quo.

3. Principals directed that talking points be prepared for dealing with the press and for briefings on the Hill. (Action: State/NSC)

~~SECRET~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

20198 REDO

February 14, 1995



ACTION

MEMORANDUM FOR ANTHONY LAKE
THROUGH: ALEXANDER VERSHBOW *AV*
FROM: DON KERRICK *(K)*
SUBJECT: Summary of Conclusions for the Principals
Committee Meeting on Bosnia and Croatia,
February 13, 1995

Attached at Tab A for distribution to Principals is the Summary of Conclusions from the Principals Committee meeting on Bosnia and Croatia held February 13, 1995.

RECOMMENDATION

That you authorize Andrew Sens to sign the memo to agencies at Tab I.

Approve *[Signature]* Disapprove _____
as signed Done 2/22/95

Attachments

Tab I Memo to the Agencies
Tab A Summary of Conclusions

DECLASSIFIED E.O. 13526
White House Guidelines,
September 11, 2006

By *VZ* NARA, Date *5/28/2014*

2013-0687-F

~~SECRET~~

Declassify on: OADR

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
004. cable	re: Milosevic Stiffs the Contact Group. (3 pages)	02/19/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F
vz2673

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
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Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
005. cable	re: Luncheon with Milosevic. (4 pages)	02/17/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F
vz2673

RESTRICTION CODES

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Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006a. memo	For Anthony Lake from Don Kerrick. Subject: February 21 Principals Meeting on Bosnia. Record ID: 9520218. (2 pages)	02/21/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F
vz2673

RESTRICTION CODES

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Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006b. agenda	Deputies Committee Meeting on Bosnia and Croatia, February 22, 1995. (1 page)	02/21/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F

vz2673

RESTRICTION CODES

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Withdrawal/Redaction Marker

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006c. cable	re: Contact Group Western Caucus. (2 pages)	02/20/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F

vz2673

RESTRICTION CODES

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Freedom of Information Act - [5 U.S.C. 552(b)]

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PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

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Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006d. cable	Duplicate of 004. (3 pages)	02/19/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F

vz2673

RESTRICTION CODES

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Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
006e. cable	Duplicate of 005. (4 pages)	02/17/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F
vz2673

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PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

OFFICE OF THE VICE PRESIDENT
WASHINGTON

February 17, 1995

MEMORANDUM FOR TONY LAKE

FROM:

LEON FURTH

SUBJECT:

Controlling Release of FRY Frozen Assets
under Plan B

One of the most important implementation issues underlying the Contact Group's Plan B offer to Milosevic is how to manage release of frozen assets. If the international community fails to handle this issue properly, Milosevic could get a massive infusion of cash that he can use to rectify his economy's most pressing problems or -- if the worst happens in Croatia or Bosnia -- finance a Serbian spring offensive. In the longer term, a maladroit release of assets will also give Milosevic significant advantage over the other Yugoslav successor states by helping him increase his creditworthiness while saddling others with a disproportionate share of outstanding Yugoslav debt.

Blocked assets include bank deposits, credits, debts, real estate and tangible property. We have a good idea of what is frozen in the U.S., but it is less clear how much is held by other governments as many were not as rigorous as we were in seizing assets in the first place and some have since allowed the Serbs to draw on frozen accounts to buy humanitarian goods.

Issues to address in releasing blocked assets include

- determining ownership (successor state issues are not yet settled)
- paying depositors, creditors, and other claimants (the Yugoslav institutions and firms whose assets were frozen owed a lot of money to a lot of people -- including numerous U.S. citizens and firms; those creditors have valid claims for payment if assets are unfrozen)
- payment of war reparations and other penalties

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DECLASSIFIED
PER E.O. 13526VZ 4/20/97
10/1/2013

~~SECRET~~

The U.S. Government should seek a thorough international inventory of frozen assets as a first step to their orderly distribution. Then, there should be a meeting of financial and banking experts to discuss how to unblock assets with due provision for the rights of successor states and creditors. We should continue to insist on resolution language mandating that assets not be released until ownership is resolved and legal rights of successor states, creditors, and other claimants are protected.

Remember that Milosevic is a banker. He will find it hard to object to such a process, while he certainly will be quick to take advantage of any openings we give him. So long as our approach requires that claims of others be adjudicated, the time frame for releasing frozen assets is relatively long, which tends to deny Milosevic short-term access for purposes we might find objectionable and preserves some leverage for settling other issues.

~~SECRET~~

~~SECRET~~

February 20, 1995

SUBJECT: Controlling Release of FRY Frozen Assets
under Plan B

One of the most important implementation issues underlying the Contact Group's Plan B offer to Milosevic is how to manage release of frozen assets. If the international community fails to handle this issue properly, Milosevic could get a massive infusion of cash that he can use to rectify his economy's most pressing problems or -- if the worst happens in Croatia or Bosnia -- finance a Serbian spring offensive. In the longer term, a maladroitness release of assets will also give Milosevic significant advantage over the other Yugoslav successor states by helping him increase his creditworthiness while saddling others with a disproportionate share of outstanding Yugoslav debt.

Blocked assets include bank deposits, credits, debts, real estate and tangible property. We have a good idea of what is frozen in the U.S., but it is less clear how much is held by other governments. Issues to address in releasing blocked assets include determining ownership (successor state issues are not yet settled; paying depositors, creditors, and other claimants (there are numerous claims against blocked Yugoslav assets -- including by U.S. citizens and firms); and payment of war reparations and other penalties.

The U.S. Government should continue to insist that any UN resolution that unblocks assets mandate that these assets not be released until ownership is resolved and legal rights of successor states, creditors, and other claimants are protected. The U.S. should seek a thorough international inventory of frozen assets as a first step to their orderly distribution. Then, financial and banking experts should discuss how to unblock assets with due provision for the rights of successor states and creditors.

Remember that Milosevic is a banker. He will find it hard to object to such a process, while he certainly will be quick to take advantage of any openings we give him. So long as we require that claims be adjudicated, the time frame for releasing frozen assets is relatively long, which limits Milosevic's short-term access for purposes we might find objectionable and preserves some leverage for settling other issues.

DECLASSIFIED
PER E.O. 13526

~~SECRET~~

Declassify on: OADR

VZ 10/1/2017

Implementing Plan B

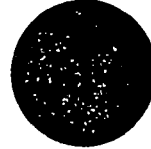
Conditions for sanctions relief	Requirements to enforce conditions
Addressed in 2/15 CG Proposal	
FRY recognition... must be genuine and unequivocal	• Clear definition of "genuine and unequivocal" recognition • Link definition to SC procedures for suspending and reimposing sanctions
Sanctions suspension for 2 month periods, positive SC vote needed for renewal each time	Unambiguous language in SC resolution suspending sanctions
Sanctions enforcement regime against FRY(S&M) must remain in place to allow quick reimposition of full sanctions	• SAMs structure remains in place • Front-line states retain enforcement mechanisms
Restrictions beyond UNSC resolutions to remain in force (no IFI assistance, no UN seat, no readmission to OSCE)	Agreement among CG that these items should be held back as long-term leverage against settlement of region's underlying security problems (e.g.: Kosovo, War Crimes Tribunal)
Significant toughening of monitoring regime on FRY borders with Bosnia and Croatia (more monitors and more equipment)	European agreement to deploy additional monitors and equipment
Sanctions relief to go into effect only after border is more tightly closed and Europeans have deployed additional monitors	Agreed definition of "acceptable" level of closure and monitoring
FRY continues to support CG plan for Bosnia	Links to reimposition and extension language in resolution
FRY endorses principles of Z-4 plan	Links to reimposition and extension language in resolution
NOT Addressed 2/15 CG Proposal	
Mechanism for immediate revocation of sanctions relief if FRY reneges	Unambiguous language in SC resolution stipulating conditions under which sanctions relief would be revoked
Closing the "Back Door:" Goods reaching Pale via Croatian and GOBH territory threaten to make FRY border closure irrelevant	• GOC and GOBH commitment to control trade with Pale Serbs; plus CG/international agreement to control trade on Croatia/Bosnia border (or to cut off both Pale and Knin Serbs) • Support (monitors, technical assistance) for GOC and GOBH • Clarify UNPROFOR role
Protecting interests of successor states and other claimants as financial sanctions are suspended	Agreement that assets will not be released until successor state, creditor, and other claimants concerns have been addressed
Prohibiting trade facilitation agreements with the FRY	Trade preferences and other agreements should be included in the list of non-UNSC sanctions cited above

~~SECRET~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

20198 REDO

February 14, 1995



ACTION

MEMORANDUM FOR ANTHONY LAKE
THROUGH: ALEXANDER VERSHBOW *AV*
FROM: DON KERRICK *(K)*
SUBJECT: Summary of Conclusions for the Principals
 Committee Meeting on Bosnia and Croatia,
 February 13, 1995

Attached at Tab A for distribution to Principals is the Summary of Conclusions from the Principals Committee meeting on Bosnia and Croatia held February 13, 1995.

RECOMMENDATION

That you authorize Andrew Sens to sign the memo to agencies at Tab I.

Approve _____ Disapprove _____

Attachments

Tab I Memo to the Agencies
 Tab A Summary of Conclusions

DECLASSIFIED E.O. 13526
White House Guidelines,
September 11, 2006

By *VZ* NARA, Date *5/28/2014*

2013-0687-F

~~SECRET~~

Declassify on: OADR

~~SECRET~~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

20198

MEMORANDUM FOR

MR. LEON FUERTH
Assistant to the Vice
President for National
Security Affairs

AMBASSADOR RICK INDEFURTH
Office of the Representative
of the U.S. to the United
Nations

MR. KENNETH C. BRILL
Executive Secretary
Department of State

MR. DOUGLAS F. GARTHOFF
Executive Secretary
Central Intelligence Agency

COL. ROBERT P. MCALEER
Executive Secretary
Department of Defense

COL. T.R. PATRICK
Executive Secretary
Joint Chiefs of Staff

DR. GORDON M. ADAMS
Associate Director for
National Security &
International Affairs
Office of Management and
Budget

SUBJECT: Summary of Conclusions, Principals Committee Meeting on
Bosnia and Croatia, February 13, 1995 ~~(S)~~

Please pass to the Principals the Summary of Conclusions attached
at Tab A. ~~(S)~~

Andrew Sens
Executive Secretary

Attachment
Tab A Summary of Conclusions

DECLASSIFIED E.O. 13526
White House Guidelines,
September 11, 2006

By 12 NARA, Date 5/28/2014

~~SECRET~~

Declassify on: OADR

2013-0687-F

NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

Summary of Conclusions for
Meeting of the NSC Principals Committee

DATE: February 13, 1995

LOCATION: White House Situation Room

TIME: 6:00 - 7:00pm

SUBJECT: Summary of Conclusions of Principals Committee Meeting
on Bosnia and Croatia (S)

PARTICIPANTS:

Chair

Anthony Lake

CIA

Douglas MacEachin

OVP

Leon Fuerth

JCS

Admiral William Owens

State

Peter Tarnoff

White House

Samuel Berger

Nancy Soderberg

DOD

Dr. William Perry

NSC

Alexander Vershbow

USUN

Ambassador Madeleine Albright

Summary of Conclusions

1. Principals met to review the U.S. position on additional sanctions relief for Milosevic in return for Serbian recognition of Bosnia, Croatia, and other former Yugoslav republics within their existing borders. While they agreed that mutual recognition, in itself, will not lead to political settlements, the potential of recognition to alter the strategic equation and to head off a new war in Croatia justified the risks of our support. Therefore, Principals authorized our Contact Group representative to agree to offer a total suspension of sanctions on the FRY in return for mutual recognition, subject to the following conditions:

A. Conditions proposed by State:

- that Milosevic's recognition of Croatia, Bosnia, Macedonia and Slovenia in their internationally recognized borders be genuine and unequivocal;
- that sanctions be suspended for 2-month periods, with a positive vote by the UN Security Council required to renew each time;
- that the sanctions enforcement regime against the FRY remain in place, so that sanctions can be reimposed on short notice;
- that the "outer wall" of sanctions be kept in place, i.e. measures going beyond UNSC resolutions: no assistance from the IFIs or the EU; no granting of a UN seat to the FRY; and no readmission to OSCE (for our part, we would not recognize the FRY at this time);
- that there be a significant toughening up of the monitoring regime on the Bosnia/Serbia and Croatia/Serbia borders, including several hundred more monitors plus equipment such as radars to help deal with the helicopter problem;
- that there must be continued firm adherence by Milosevic to the Contact Group plan for Bosnia;
- that Milosevic must endorse the principles in the Zagreb-4 peace plan for Croatia, i.e. the reintegration of the occupied areas under Croatian sovereignty, with autonomy for historically Serb-majority areas; and
- that nothing should be done that in any way affects the commitment to the War Crimes Tribunal.

B. Additional conditions added by Principals:

- that before we pursue Milosevic's recognition of Croatia, we insist that Tudjman agree that he will extend UNPROFOR's mandate in return for recognition.
- that the sanctions relief not go into effect until after the inter-Serbian border is more tightly closed and the Europeans have deployed the additional monitors required; and

-- that we secure from Tudjman his agreement to terminate economic relations with the Krajina Serbs, since this could undermine the effects of Milosevic's cut-off of support to the Krajina and permit the Bosnian Serbs to receive support through the back door.

2. Principals directed our Contact Group representative to put down a marker that, if this initiative fails and the war resumes, our partners will reciprocate our flexibility by supporting the kinds of coercive measures against the Bosnian Serbs that they agreed to previously, but never implemented. We would not, however, make their commitment to such measures a quid pro quo.

3. Principals directed that talking points be prepared for consulting with the Congress and dealing with the press.

(Action: State/NSC)

~~CONFIDENTIAL~~

February 17, 1995

INFORMATION

MEMORANDUM FOR ALAN KRECZKO; ANNE WITKOWSKY; SUSAN RICE;
RICK SAUNDERS

FROM: DON KERRICK (10)

SUBJECT: 505 Agreement

Attached State paper is for next Wednesday D.C. on Bosnia. Let me know if you have any problems or comments by Tuesday. Will include them in the D.C. briefer.

Attachment

State Paper: Support for the Federation - 505 Agreement

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ALEXANDER VERSHBOW

DECLASSIFIED E.O. 13526
White House Guidelines,
September 11, 2006

By 12 NARA, Date 5/28/2014

2013-0687-f

~~CONFIDENTIAL~~

Declassify on: OADR

Withdrawal/Redaction Marker

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
007. paper	Support for the Federation - 505 Agreement. (3 pages)	02/17/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Alexander Vershbow)
OA/Box Number: 850

FOLDER TITLE:

Bosnia - February 1995 [5]

2013-0687-F
vz2673

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
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- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
008. table	Plan B Implementation Issues. (3 pages)	02/16/1995	P1/b(1)

COLLECTION:

Clinton Presidential Records
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FOLDER TITLE:

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