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ACTION NODS-00

INFO LOG-00 CCOE-00 OASY-00 ADS-00 /000W

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O 221719Z MAY 95 ZFF4 FM AMEMBASSY BELGRADE TO SECSTATE WASHDC NIACT IMMEDIATE 5931

S E C R E T SECTION 01 OF 03 BELGRADE 002468

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DECAPTIONED

FOR THE SECRETARY FROM AMBASSADOR FRASURE

EUR FOR ASSISTANT SECRETARY HOLBROOKE

E.O. 12356:DECL: 5/22/05

TAGS: PREL, SR, BK

SUBJECT: MILOSEVIC DISCUSSIONS -- NO DEAL

- 1. SECRET ENTIRE TEXT.
- 2. IN A DIFFICULT FIVE HOUR SESSION WITH MILOSEVIC TODAY (MAY 22), WE WERE UNABLE TO CLOSE THE GAP BETWEEN US ON THE BOSNIA RECOGNITON/BORDER/SANCTIONS RELIEF PACKAGE. A NUMBER OF ISSUES REMAIN UNRESOLVED BUT THE MOST INTRACTABLE POINT IS WHETHER THE USG WOULD BE IN A POSITION IN THE UNSC IN THE SANCTIONS SUSPENSION PHASE OF THE PROCESS TO PULL THE PLUG IF BELGRADE VIOLATES THE ASSORTED ACCORDS. IN OTHER WORDS, MILOSEVIC INSISTS ON SECRET

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UNITED STATES DEPARTMENT OF STATE REVIEW AUTHORITY: MARTIN MCLEAN DATE/CASE ID: 25 JUN 2010 200703885

UNCLASSIFIED U.S. Department of State Case No. F-2007-03885 Doc No. C17UNCLASSIFIED A SITUATION IN WHICH A RUSSIAN VETO IS POTENTIALLY INTERPOSED BETWEEN HIMSELF AND SANCTIONS REVOCATION IN THE EVENT OF NONPERFORMANCE. I SAID THAT WAS UNACCEPTABLE AND NON-NEGOTIABLE IN SUBSTANCE.

- 3. THERE ARE A NUMBER OF OTHER DIFFICULT AND UNRESOLVED POINTS, E.G., THE CROATIA FACTOR IN ACTUAL SANCTIONS LIFT. BUT THEY ALL PALE IN COMPARISON TO THE FUNDAMENTAL ISSUE OF AN ASSURED USG POSITION TO ACT TO REIMPOSE SANCTIONS IF BELGRADE DOES NOT LIVE UP TO ITS COMMITMENTS.
- 4. I TOLD MILOSEVIC THAT I WOULD BE LEAVING BELGRADE AT NOON TOMORROW TO RETURN TO WASHINGTON. I DO NOT EXPECT TO HEAR FROM HIM BEFORE I DEPART. I THINK HE REALLY DOES WANT A DEAL -- HIS KIND OF DEAL -- AND HE MAY HOPE NOW THAT THE BRITISH AND FRENCH WILL PUT PRESSURE ON US. END SUMMARY.
- 5. TODAY I TABLED SEVERAL NEW DRAFT PAPERS (ALL FAXED TO EUR/SCE) WITH MILOSEVIC THAT REFLECT WASHINGTON'S CONCERNS, NOTABLY ON OUR ABILITY TO ACT IN THE UN IN THE EVENT BELGRADE DOES NOT LIVE UP TO ITS COMMITMENTS IN REGARD TO THE PACKAGE. IN PARTICULAR, I PUT DOWN THE FOLLOWING REPLACEMENT TEXT FOR PARA FOUR IN THE SANCTIONS RELIEF ANNEX:

SANCTIONS THAT HAVE BEEN SUSPENDED CAN BE REIMPOSED BY THE UNSC IF THE SECRETARY GENERAL FORMALLY REPORTS TO THE UNSC THAT THE FRY IS NO LONGER IMPLEMENTING THE DECISION TO CLOSE THE SECRET

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 BORDER WITH BOSNIA EXCEPT FOR HUMANITARIAN
 ASSISTANCE, OR IT NO LONGER SUPPORTS THE
 CONTACT GROUP PLAN FOR BOSNIA, OR IT IS IN
 VIOLATION OF THE RELEVANT RESOLUTION ON THE
 SUSPENSION OF SANCTIONS. SIMILARLY A PERMANENT
 MEMBER OF THE UNSC CAN CALL FOR AN AFFIRMATIVE
 VOTE TO CONTINUE THE SUSPENSION.
- 6. MILOSEVIC FULMINATED AT GREAT LENGTH ABOUT THE

UNCLASSIFIED U.S. Department of State Case No. F-2007-03885 Doc No. C17799082 Date: 10/22/2013 ABSOLUTE UNACCEPTABILITY OF THE LAST SENTENCE WHICH WAS THE NEW ELEMENT IN THE TEXT. I EXPLAINED THAT UNCLASSIFIED IT WAS ESSENTIAL FOR US. HE SAID IT WILL PUT "POWER INTO THE HANDS OF THE MUSLIM AND GERMAN LOBBIES IN WASHINGTON." I SAID NONSENSE, BUT WE

7. MILOSEVIC COMPLAINED BITTERLY THAT HE WAS NOT TRUSTED BY WASHINGTON AFTER HAVING MADE ENDLESS CONCESSIONS INCLUDING NO LIFT UNTIL PALE ACCEPTS, NOTHING ON STATE CONTINUITY, ETC., ETC. HE IS THE LAST HOSTAGE OF THE COLD WAR. "THIS SHOWS A VERY NEGATIVE ATTITUDE ON YOUR PART." MILOSEVIC PROPOSED DROPPING THE LAST SENTENCE AND ADDING THE PHRASE "OR A PERMANENT MEMBER OF THE UNSC" AFTER SECRETARY GENERAL. I SAID WE WOULD CONSIDER IT IF THE OPERATIVE VERB IS CHANGED FROM "CAN BE REIMPOSED" TO "WILL BE REIMPOSED." HE REPLIED "IMPOSSIBLE."

NEED AN ASSURED PROCESS WHERE WE CAN ACT IF THE ACCORDS ARE NOT FULFILLED, AND WITHOUT REFERENCE TO

A POSSIBLE RUSSIAN VETO.

WE AGREED WE FACE A FUNDAMENTAL SUBSTANTIVE PROBLEM SECRET

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THAT CANNOT -- AND SHOULD NOT -- BE BRIDGED BY
ARTFUL SEMANTICAL FORMULATIONS. WE AGREED THAT WE
ARE NOT JUST ONE VERB AWAY FROM AGREEMENT.

REVISITING STRATEGIC SANCTIONS

8. AT THAT POINT MILOSEVIC TURNED HIS ATTENTION TO THE ENUMERATION OF UN MANDATED STRATEGIC SANCTIONS THAT I HAD INCLUDED--AT HIS SUGGESTION--AS A FOOTNOTE TO THE SANCTIONS RELIEF ANNEX PARA ONE. HE SAID HE WAS NOT AWARE THAT IT WAS SO EXTENSIVE AND REMARKED THAT HE FELT WE WERE TALKING ABOUT A SHORTER LIST. I REVIEWED FOR HIM THE DIFFERENCE BETWEEN THE UN AND THE EU LISTS. IN MAKING OUR MAJOR CONCESSION ON THE OIL REGIME, WE HAD DONE SO WITH THE ASSUMPTION THAT THE UN LIST WAS OPERATIVE

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FOR THIS AGREEMENT. TO REOPEN ALL OF THIS AT THIS TIME WAS SIMPLY NOT POSSIBLE. MILOSEVIC EVEN SUGGESTED THAT THE EU LIST COULD "BE A LITTLE BIT IMPROVED." IF THIS NEGOTIATION EVER CONTINUES, WE WILL HEAR MORE OF THIS.

OIL REGIME

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9. I SAID WE FELT THAT IN ORDER TO GET AN

AGREEMENT WE WOULD BE PREPARED TO DEFER FOR EXPERT

CONSIDERATION THE DEFINING OF AN ACTUAL MTS OIL

AMOUNT. WE FELT HIS PROPOSED 500,000 MTS WAS TOO

LARGE. WE STILL THOUGHT IN TERMS OF SOMETHING MORE

THAN 100,000 MTS. PERHAPS WE COULD AGREE ON THAT

APPROACH AND HOPE TO AGREE ON A PRECISE FIGURE VERY

SOON. MILOSEVIC FELT THE 500,000 MTS FIGURE WAS

VALID AND WE SHOULD DEAL WITH THE PROBLEM NOW. BUT

FURTHER DISCUSSION OF THIS POINT WAS SUBMERGED INTO

THE INCREASINGLY NEGATIVE ATMOSPHERE.

CROATIA/REGIONAL ISSUES/ACTUAL LIFT

- 11. I REVIEWED OUR CONTINUING CONCERN ON THESE ISSUES, CROATIA IN PARTICULAR, AND SUGGESTED TWO POINTS THAT COULD PERHAPS DEAL WITH THE ISSUE:
- -- AFTER IMPLEMENTATION OF THE CONTACT GROUP PLAN IN BOSNIA, FROZEN ASSETS ASSOCIATED WITH STATE SUCCESSION ISSUES WOULD REMAIN FROZEN.
- -- THERE WOULD BE A USG/FRY SIDE AGREEMENT THAT THE OIL REGIME WILL REMAIN IN EFFECT UNTIL SECTOR EAST STATUS IS RESOLVED, I.E., UNTIL RELATIONS BETWEEN BELGRADE AND ZAGREB ARE NORMALIZED.

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12. MILOSEVIC FORCEFULLY REJECTED THE CROATEA ASPECT, INSISTING THAT SANCTIONS HAD BEEN IMPOSED SECRET

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BECAUSE OF EVENTS IN BOSNIA. "IF YOU HAVE A

CROATIA PROBLEM, IT IS YOUR PROBLEM." HE WOULD BE

PREPARED TO ACCEPT, HOWEVER, MENTION OF CENTRAL

BANK ASSETS REMAINING FROZEN IN THIS REGARD AT THE

END OF THE ANNEX. BUT HE COULD GO NO FURTHER. HE

COULD NEVER ACCEPT MENTION OF CROATIA OR SECTOR

EAST IN THE SANCTIONS RELIEF CONTEXT AND WAS NOT

COMFORTABLE WITH HAVING CROATIA MENTIONED EVEN IN

THE FRAMEWORK PAPER.

STATE CONTINUITY/SPORTS SANCTIONS

13. I TOLD MILOSEVIC THAT WASHINGTON IS NOT REALLY INTERESTED IN HAVING SIDE UNDERSTANDINGS ON THESE POINTS. HE INSISTED ON THEIR IMPORTANCE AND MUTTERED ABOUT PUTTING THEM BACK IN THE MAIN PAPERS.

OTHER ISSUES

14. THERE ARE SEVERAL OTHER MINOR POINTS OF CONTENTION IN THESE LATEST DRAFTS. I AGAIN ASSERTED OUR DESIRE TO HAVE A NEGOTIATIONS CHAPEAU AT THE START OF PARAGRAPH FOUR OF THE FRAMEWORK PAPER, I.E., CONSTITUTIONAL PRINCIPLES. MILOSEVIC AGAIN STRONGLY OPPOSED THAT INTRODUCTORY PHRASEOLOGY.

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SILENCE OF THE LAMBS

15. OVER YET ANOTHER LUNCH OF ROAST SPRING LAMB AND RED WINE -- THE LAMBS OF SERBIA AT LEAST WILL BE GLAD TO SEE ME LEAVE TOWN -- WE AGREED THAT VERY SUBSTANTIAL GAPS REMAIN NOTABLY ON THE UN SUSPENSION FRAMEWORK. I SAID I WOULD LEAVE FOR WASHINGTON ON TUESDAY. WE AGREED TO STAY IN TOUCH. BUT I DID NOT SENSE HE WOULD BE GETTING BACK TO ME BEFORE I DEPARTED.

16. I STILL THINK MILOSEVIC WANTS A DEAL--HE CANNOT BE LOOKING FORWARD TO SEEING TUDJMAN IN SLOVAKIA NEXT SATURDAY IN THE AFTERMATH OF A FLOPPED NEGOTIATION WITH THE AMERICANS. BUT MY GUESS IS THAT MILOSEVIC MAY BE MISCALCULATING OR JUST OVERPLAYING HIS CARDS -- HE IS PRONE TO THAT

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KIND OF THING. HE MAY BE EXPECTING THAT THE EUROPEANS WHO ARE DESPERATE FOR A DEAL WILL NOW ROLL US ON THESE ASSORTED ISSUES. I WOULD HOPE THAT WE WILL IMMEDIATELY MAKE KNOWN OUR STRONG VIEWS TO LONDON, PARIS, AND BONN ON THESE POINTS. PERINA

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