MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE

SUBJECT: Your Participation in Principals' Committee Meeting on Bosnia, September 25, 1995, 2:45-3:15 p.m.

Principals are meeting to review the latest developments in the negotiations on the eve of Tuesday's meeting of the three Balkan Foreign Ministers with the Contact Group, and to discuss planning for implementation of a peace settlement. Chris and Dick Holbrooke will participate in the meeting from New York via video link.

Negotiations: While the Bosnians are still haggling over final details, prospects are good for agreement on Tuesday on a set of "further agreed principles" for a settlement (draft at Tab A). These will round out the text agreed in Geneva on September 8. They set forth the institutions of the central government (rotating three-person presidency, parliament), identify their areas of responsibility and establish rules for free elections under international supervision. While some points will be controversial, the new principles will help strengthen the case that the peace plan will not partition Bosnia.

Assuming agreement on the principles, the focus of our negotiating team's next round of shuttle diplomacy will be to draft a comprehensive peace agreement based on the principles and to press for agreement on the map. The most sensitive territorial issue will be the status of Sarajevo, which the Bosnians insist must be an undivided city under Federation control.

After another round of shuttling, it will likely be necessary to convene an international conference -- possibly as soon as mid-October -- with the three Balkan Presidents to resolve the most contentious issues and pave the way to a summit where the agreement would be signed. We have not decided whether to hold such a conference in the U.S. or in Europe.

Issues for discussion:

- Will the "further agreed principles" create an effective central government and prevent a formal partition?
• What are the weak points in the new paper?
• How soon will it be necessary or desirable to move to an international conference?
• Now that the battle lines have stabilized in western Bosnia, is this the time to press for a 1- or 2-month cessation of hostilities?

Implementation Planning: Shali will brief Principals on the status of U.S. and NATO planning for peace plan implementation. The NATO Military Authorities have been tasked to complete a draft OPLAN by the end of the month. This will give a clearer sense of the overall troop requirements -- although, even then, we will need to know the final terms of the settlement before hard figures can be established. Shali told Principals last week that he favors following the Haiti model, i.e. inserting a large and heavily-equipped force at the very outset in order to deter non-compliance by the parties, but then phasing down the force quickly once stable conditions have been established. The NATO-led force would withdraw completely at the end of one year. Still to be worked out are arrangements for associating the Russians and other non-NATO forces with the implementation force (IFOR) while preserving a single chain of command.

Following your departure, Principals will also review planning for implementation of the non-military aspects of a settlement (return of refugees, humanitarian aid, supervising elections, setting up governmental institutions, protecting human rights, etc.). We envisage appointing a senior statesman who would coordinate among the various international agencies involved. He would maintain liaison with the NATO military commander but have no dual key.

Issues for discussion:
• Are we and our Allies in basic agreement on the concept for military implementation of the peace plan? Rules of engagement and command and control?
• When will we need to decide the level of U.S. participation?
• How soon after signature of a peace settlement will we be able to deploy U.S. forces to Bosnia?

Attachment
Tab A Draft of Further Agreed Principles