



Fourth Report
from the
Foreign Affairs Committee

Session 2000–2001

**Government Policy towards the
Federal Republic of Yugoslavia and the wider
region following the fall of Milosevic**

Response of the Secretary of State for
Foreign and Commonwealth Affairs

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
July 2001*

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FOURTH REPORT FROM THE FOREIGN AFFAIRS COMMITTEE
SESSION 2000-2001
GOVERNMENT POLICY TOWARDS THE
FEDERAL REPUBLIC OF YUGOSLAVIA AND THE WIDER REGION
FOLLOWING THE FALL OF MILOSEVIC
RESPONSE OF THE SECRETARY OF STATE FOR FOREIGN AND
COMMONWEALTH AFFAIRS

Introduction

1. The Government welcomes the Foreign Affairs Committee's continuing interest in the Federal Republic of Yugoslavia and the wider region and has taken careful note of the Committee's recommendations.
2. The Government welcomes the Committee's positive comments on UK policy towards the Milosevic regime and the contribution made by the UK, through bilateral and multilateral action, to the establishment of democratic governments in Belgrade. However, the Government does not agree with the Committee that UK/Western policy is based on two "unreal" assumptions: that Serbia, Montenegro and Kosovo can continue to exist in one state; and that Serbs and Albanians in Kosovo can build a multi-ethnic community.
3. Despite their differences, the Serbian and Montenegrin governments share a common vision of a future in which two autonomous governments would pool powers in areas such as defence, foreign policy and economic issues. They accept that the trend in Europe is towards substantial cross-border political cooperation, rather than towards new barriers and disintegration. We are not trying to dictate an outcome – but we do want to help Serbia and Montenegro to find a consensus solution. We continue to believe that a unilateral move towards independence by Montenegro would damage both the internal stability of Montenegro and the wider stability of the region.
4. On Kosovo, the Government intends to work to show that it is possible for the two ethnic groups to live side-by-side. The wounds of Kosovo will take a long time to heal: but Bosnia has shown the feasibility of policies designed to empower political moderates and to rebuild a multi-ethnic community step by step.
5. The Government's responses to the specific conclusions and recommendations of the Foreign Affairs Committee report are set out below.

Recommendations

- (a) We conclude that support by the United Kingdom Government for the targeted nature of the EU sanctions on the Federal Republic of Yugoslavia was well judged and believe this approach should be considered fully for any future application of sanctions (paragraph 8).**

The Government welcomes this conclusion. The Government believes that sanctions can be a valuable instrument with which to achieve the objectives of the EU's Common Foreign and Security Policy. They can help exert effective pressure on those regimes which breach the boundaries of acceptable behaviour, defy the international community and ignore diplomatic efforts. We will continue to work to ensure that all sanctions regimes implemented by the United Kingdom are targeted as carefully as possible to hit the vulnerabilities of leadership elites and/or their military capability, with minimal impact on ordinary people. In cooperation with our international partners, we will make every effort to ensure that appropriate humanitarian exemptions are in place from the outset.

- (b) We conclude that the support provided by the United Kingdom Government gave encouragement to the democratic opposition to Milosevic during both the election campaign and the subsequent transition period. We recommend that the Government take account of its successful strategy in Yugoslavia when providing support in the future to democratic movements in an autocratic state (paragraph 10).**

We welcome the Committee's conclusion. We believe that the political and practical support that the UK and the rest of the international community gave to the democratic process in Yugoslavia played an important role in the emergence of democracy in Serbia in 2000. The Government will take account of the lessons learned for future efforts in support for democratic change.

- (c) We welcome the FCO's assurance that it will examine the current disposition of EU humanitarian and economic funding to ensure that it takes adequate notice of the need to protect the most disadvantaged elements of the population in south-east Europe, and we look forward to seeing the results of this review (paragraph 16).**

Future EU funding for Serbia will be provided through the CARDS Regulation, to which 4.65 billion euros has been allocated for 2001-2006. The CARDS Regulation was agreed by the Council of Ministers in December 2000. It provides for the preparation of country strategies for agreement by Member States, as well as three-year indicative programmes and annual Action Plans.

In view of the timing of the agreement of the Regulation, and of the setting up of EuropeAid, which will be responsible for programme implementation, the European Commission has given first priority to the preparation of Action Plans for 2001. Work on country strategies will begin later this year. The emphasis of programmes prepared for funding from CARDS will be on support to the Stabilisation and Association Process. However, the Commission has acknowledged the importance of addressing the needs of the disadvantaged. At the instigation of the UK, the CARDS Regulation includes recognition of the need to tackle poverty.

The main focus of our efforts to direct EU funding towards the poor and disadvantaged will be through our participation in the agreement of country strategies. We will press for each to include an explicit reference to the need to pursue this aspect of the CARDS Regulation. A first tranche of CARDS funding for Serbia, for 2001, has already been committed. This package of 143.5 meuros includes 80 meuros for energy, 26.5 meuros for medicines and 20 meuros for agricultural production, designed to assist with essential needs while the Serbian authorities take steps to reform the economy.

We are also pursuing other means of influencing social protection in Serbia, which the Committee refers to in its report. We are discussing participation in support for the reform of pensions and benefits systems with the World Bank, which is the leading agency in the development of social policy in the region. We have provided the Serbian government with preliminary advice on options for pensions and benefit reforms.

- (d) We recommend that the Government attach a very high priority to providing assistance to the development of an independent and free media in Serbia (paragraph 21).**

The Government will continue to attach a high priority to the development of an independent and free media in Yugoslavia and will provide assistance. After the repression of the Milosevic years, the challenges are many: to restore the RTS network as an unbiased public service broadcaster with high professional standards; to bring order to the marketplace for television frequencies; to raise journalistic standards across all media; and to put an appropriate legal framework in place at Federal and Republican level.

- (e) **We conclude that the encouragement of people-to-people links and the fostering of local democracy is of importance and believe that the Local Government International Bureau has a key role to play in this regard. We therefore recommend that the FCO look favourably on requests for future funding of partnerships between local councils in the United Kingdom and those in the Federal Republic of Yugoslavia and elsewhere in the former Yugoslavia. (Paragraph 24).**

The FCO is continuing to work with the Local Government International Bureau, the Local Government Association and UK local authorities with the aim of providing further support for the effective partnerships that have already developed between UK and Yugoslav local authorities. The Department for International Development is also considering active support for the development of links between Serbian local authorities and civil society.

Media and local government institutions will continue to be supported bilaterally by the UK in coordination with the OSCE, the European Union, the Stability Pact and other governmental and non-governmental donors. The new situation will permit more coordination and activity at the regional level. The UK will examine, through the new cross-Departmental Global Conflict Prevention Pool, the potential for effective and sustainable contributions to the establishment of democratic institutions (including local government) across the former Yugoslavia.

- (f) **We recommend that the FCO give serious consideration in the next round of budget negotiations to proposing a further reinforcement of the British diplomatic staff in Belgrade. Our experience convinces us that there is a need for the FCO to give serious consideration to the creation of a diplomatic rapid reaction force to make a speedy response whenever sudden political developments anywhere in the world require a dramatically increased diplomatic presence, for example in Macedonia now (paragraph 26).**

The British Embassy in Belgrade now has thirteen permanent UK-based staff and forty-four Locally Engaged staff. This compares with six UK-based staff and 33 Locally Engaged at the beginning of the year. The current figure includes employees of the Ministry of Defence (three) and the Department for International Development (three), and four staff supporting the objectives of British Trade International. Senior UK-based staff include: Ambassador, Deputy Head of Mission, Counsellor, Defence Attaché, and Heads of Commercial, Management and Aid Sections. The Embassy has been further reinforced where necessary in recent months, either to fill slots while permanent staff complete their pre-posting training, or to provide extra resources in Chancery to cope with extra work arising from political developments. One example of the latter was the temporary attachment of David Slinn (former Head of British Office, Pristina) to Belgrade to help cover the political situation in southern Serbia. Following the successful return of Yugoslav forces to the Ground Safety Zone, David Slinn has now been re-assigned temporarily to the Embassy in Skopje.

As the Committee points out, the FCO needs to be able to respond to rapidly changing circumstances around the world. We believe that the establishment of the British Interests Section in Belgrade in October 1999 and the re-establishment of the British Embassy from October 2000 are good examples of our ability to do so.

- (g) **We recommend that the Government explore with the Yugoslav authorities ways in which it can be ensured that those indicted by the ICTY will be available for trial before the ICTY as soon as the relevant legislation has been enacted (paragraph 31).**

The Government welcomes the recent decree passed by the Belgrade authorities enabling the transfer of ICTY indictees to The Hague. The Government welcomes the transfer of Milosovic to the ICTY on 28 June and will continue to urge the Yugoslav authorities to transfer all remaining indictees to The Hague.

- (h) We recommend that the Government impress on the ICTY the need to be seen at all times to be acting even-handedly and efficiently in its dealings with all ethnic groups (paragraph 37).**

The Government recognises the need for the ICTY to be impartial in its dealings with all ethnic groups in the former Yugoslavia. We will continue to emphasise to the ICTY the need to both maintain and be seen to maintain its neutrality in the region. The ICTY is aware of the need for impartiality and is taking steps to rectify any misconceptions. The ICTY is working to prioritise its caseload and is carrying out a number of restructuring programmes aimed at increasing efficiency. The Government continues to encourage and assist the ICTY in this regard.

- (i) We recommend that the Government do all in its power to ensure that the ICTY has sufficient resources to enable it to deal promptly and efficiently with evidence presented to it (paragraph 39).**

The Government is one of the Tribunal's greatest supporters. In 2000/01, in addition to our assessed contributions to the Tribunals, we made voluntary contributions totalling over £1m. We will continue to work to build capacity at the Tribunal in order to ensure that it has the means and infrastructure to carry out its mandate efficiently.

- (j) We recommend that the Government encourage the Yugoslav authorities in their attempts to increase public awareness of the war crimes committed in the region, as a precondition for regional reconciliation and to increase public understanding of the role of the ICTY (paragraph 43).**

We agree that public understanding of the role of the ICTY is an important precondition for regional reconciliation. We will continue to support both the Yugoslav authorities and Yugoslav non-governmental organisations in their efforts to increase public awareness of the war crimes committed in the region.

- (k) We conclude that, by allowing a prominent Croat accused of war crimes against Serbs to be tried by the domestic Croatian courts, the ICTY may have made it politically more difficult for the Yugoslav authorities to justify the extradition of Serbian war crimes suspects to The Hague. We welcome the fact that the ICTY has made it clear that the trials of Serbs accused of war crimes before the ICTY might take place in part in the Federal Republic of Yugoslavia (paragraph 47).**

We do not believe that the ICTY has set a precedent by allowing the trial of a prominent Croat by a domestic Croatian court. The suspect in question (General Norac) is not the subject of a formal indictment from the ICTY. The ICTY's stance on the Norac case does not lessen the obligation on the FRY authorities, and the authorities of other countries, to co-operate fully in the arrest and transfer of those indicted by the Tribunal. However, we recognise that where the domestic courts in the former Yugoslavia are willing and able to carry out trials of alleged war criminals in their territory, and where ICTY is content to waive its jurisdiction, they should do so.

- (l) We recommend that the Government, reminding the Yugoslav authorities of their obligation under international law, make it clear that a domestic trial of Milosevic on charges unrelated to war crimes can in no way be allowed to delay or supersede his trial before the ICTY for the war crimes of which he stands accused (paragraph 50).**

The Government welcomes the recent transfer of Milosevic to The Hague to face the charges of war crimes against him and will continue to make the case to the FRY that the ICTY has primacy over domestic law with regard to all indictees.

- (m) We recommend that the Government continue to put pressure on the Yugoslav authorities to pardon – or, where appropriate, retry fairly and in public – all Kosovo Albanian prisoners held in Serbian jails on charges of terrorism (paragraph 53).**

The Government, with international partners, has pressed the Yugoslav and Serbian authorities to re-examine rapidly the cases of all Kosovo Albanian prisoners imprisoned under the Milosevic regime. This process led on 25 April 2001 to the release of the “Djakovica 143”. Other cases are under review. All those who were imprisoned without a fair trial should be released immediately.

- (n) We conclude that there is a persuasive argument for saying that Montenegro has the right to seek independence, irrespective of the merits of it doing so. The decision to recognise a state is, of course, a matter for other states (paragraph 67).**

The Government recognises the right of the people of Montenegro to seek to redefine their relationship with Serbia. But we, with our international partners, have made it clear that we could not support a unilateral move towards independence. Such a move would be destabilising. Montenegro and Serbia should discuss a redefinition of their relationship and come up with an agreed solution. The Government notes that the 22 April elections in Montenegro showed a division in Montenegrin society over this issue. The Government and EU partners’ preference is for an outcome that leaves Montenegro within a redefined Federal Republic of Yugoslavia.

- (o) We conclude that Montenegrin independence will confirm the obvious for Kosovo: namely that there is no possibility of any form of association between Kosovo and Serbia for the foreseeable future beyond that which already exists (paragraph 73).**

The Government agrees that any changes in the status of Montenegro would be an extra factor to be taken into consideration in the political process to address Kosovo’s future. The final status of Kosovo will need to be addressed, in due course, by the government in Belgrade and elected leaders of the communities in Kosovo. However, the focus for the time being in Kosovo must be on preparations for the elections on 17 November to provisional self-governing institutions and on making these interim structures work.

- (p) We conclude that while the direct threat of Montenegrin independence to Macedonia’s stability is limited, any encouragement which Montenegrin independence gives to Kosovo represents a significant threat to Macedonia’s cohesion (paragraph 75).**

The crisis in Macedonia is not directly linked with the debate over independence for Montenegro. The Government agrees, however, that a move towards Montenegrin independence could encourage similar moves in Kosovo, which in turn would have a negative impact on the cohesion of Macedonia.

- (q) We conclude that while Montenegrin independence would be likely to lead to increased demands for greater autonomy by other groups in the region, the problems caused by this would be slight when compared with other factors contributing to regional instability (paragraph 80).**

The Government considers that changes to borders would have a major impact on all countries of the region. The current borders should be regarded as inviolable except where there is agreement by the parties concerned that they should be changed. The Government understands Montenegro’s desire to redefine its relationship with Serbia and is encouraging dialogue towards this end.

- (r) We conclude that heavy-handed opposition by the international community to Montenegrin independence is likely at best to have little effect, and at worst to be counter-productive (paragraph 90).**

The Government does not favour heavy-handed methods in dialogue with Montenegro about its future status. It is involved in a constructive, serious but friendly dialogue with the Montenegrin government about these matters. The Government has therefore encouraged, together with international partners, efforts to reach agreement on a redefinition of the Serbia/Montenegro relationship through dialogue.

- (s) Given that the Serbian and Yugoslav governments have said they will accept a legal and peaceful unilateral declaration of independence by Montenegro, we recommend that the United Kingdom Government should be prepared to recognise Montenegro in the event that it has achieved its independence through a referendum which has been conducted freely and fairly (paragraph 92).**

The key point is that Montenegro and Serbia should talk about the future of their relationship. A creative way forward within a single state can be found. Not least in view of the deep division within Montenegro about the question of independence, exposed by the 22 April elections, the Government believes that our focus should be on trying to maintain and improve stability and practical cooperation between Serbia and Montenegro, rather than concentrating on hypothetical scenarios.

- (t) We recommend that the Government should work to ensure that any elections and referendums held in Montenegro are free and fair and conducted to international standards, and that the rights of all social and ethnic groups within Montenegro – particularly those known to oppose independence – are fully respected (paragraph 95).**

The Government fully agrees with the Committee that the forthcoming elections and/or referenda in Montenegro must be conducted to rigorous international standards. The OSCE confirmed that for the April 2001 Montenegrin Parliamentary elections the overall electoral process was pluralistic, accountable and transparent. The United Kingdom contributed 15 short-term observers to the monitoring of those elections. The Government will seek to ensure with partners that any future referendum is conducted in such a way that no side is disadvantaged.

- (u) We recommend that the Government both look at ways of increasing support to the independent media in Montenegro with immediate effect and make representations to the Montenegrin Government about the importance of balanced media reporting of the independence question in the run-up to a referendum (paragraph 96).**

The Government continues to take an active interest in the role of the media in Montenegro. Before the April Parliamentary elections, we reported concerns via the OSCE and the ODIHR Office about the quality of media reporting. Although some imbalances were in evidence, the Government is largely satisfied that the range of domestic media coverage fell within normal democratic standards. The Government views the strengthening of the independent media as a priority for Montenegro and will continue to assist its development through bilateral and multilateral activity.

- (v) We conclude that the maintenance of a positive neighbourly relationship between Montenegro and Serbia will be an important factor in the stability and prosperity of the region – and particularly of Montenegro – however the issue of Montenegrin independence is resolved. We therefore recommend that the United Kingdom**

government impress on Montenegro – and on Serbia – that isolation is not an option, and that international assistance and European integration will depend on neighbourly co-operation and integration (paragraph 101).

The Government agrees on the need to preserve good neighbourly relations between Serbia and Montenegro, whatever the final configuration of their relationship. The Government has stressed on a number of occasions with European partners that European integration depends on local cooperation and solid regional networks. By focusing on the importance of negotiations between Belgrade and Podgorica, the Government hopes to ensure that positive relations are maintained, regardless of the final solution arrived at between them.

(w) We conclude that the need for the FCO to have a permanent post in Montenegro is urgent. We note that the FCO has promised to look carefully at this issue. We wish to have the earliest possible response from the FCO on this conclusion; if possible in advance of the Department's response to the remainder of our Report (paragraph 102).

The FCO replied to the Committee on the issue of diplomatic representation in Montenegro on 11 May (letter attached at Annex A).

(x) We recommend that the FCO should press UN headquarters to examine what measures can be taken to improve the capacity of UN staff in Kosovo to manage the administration of Kosovo, and in particular whether more authority for hiring and firing staff can be devolved to the Special Representative in Kosovo, in line with the recommendations of the Brahimi report. We further recommend that the FCO press the European Commission to examine what changes can be made to improve the morale of EU staff posted to Kosovo, and to encourage staff to remain in Kosovo for longer postings. We conclude that making improvements in these areas is not just an issue for Kosovo, but for future missions of a similar sort (paragraph 105).

Responsibility for hiring and firing UNMIK staff has largely been devolved to Kosovo with the exception of some key posts that still require approval of the UN Secretariat in New York. The Government recognises the value of longer postings in overseas operations. Steps have been taken in this direction in Kosovo, including for KFOR command posts and for UNMIK police officers. The Government also recognises the importance of morale to retention and mission effectiveness. UK secondees to the OSCE receive regular pastoral visits and are encouraged to stay in regular contact with the FCO, so any problems can be addressed quickly. The Government will continue to encourage other employers, including the European Commission, to give similar attention to these aspects.

As part of the follow up to the European Union (EU) Feira Conference in June 2000 a protocol was signed, on 4 May, between the Foreign and Commonwealth Office and the Association of Chief Police Officers and endorsed by the Home Office. This protocol provides for police officers to be seconded from their forces for periods of up to two years. Currently, most officers deployed to Kosovo serve there for 18 months. We will be encouraging officers deployed to Kosovo and elsewhere to take advantage of this provision where possible to extend their service.

(y) We recommend that the Government urge UNMIK to consult closely with Belgrade before taking any decision as to the future of the Trepca mine complex (paragraph 109).

UNMIK is currently addressing the future of the Trepca industrial complex, and is consulting Belgrade on this and other economic issues affecting Kosovo, including through UNMIK liaison officers in Belgrade.

- (z) We recommend that the Government work with its partners in the UN to take steps to strengthen significantly UNMIK's fragile hold on Kosovo (paragraph 114).**

UNMIK has made considerable progress in achieving the tasks ascribed to it by UNSCR 1244 during its two years of responsibility for the administration of Kosovo. The promulgation of the Constitutional framework for provisional self-government in May 2001, and the elections to the Kosovo Assembly in November 2001, will enable substantial autonomy to be established. UNMIK has also given significant support to the reconstruction of key infrastructure and other economic reconstruction, supported (at an earlier stage) provision of humanitarian relief, and protected and promoted human rights. Steps are being taken to impose law and order more effectively and to enable refugees to return to their homes. More clearly remains to be done, and the Government will continue to give UNMIK its full support.

- (aa) We conclude that the international police force in Kosovo is being asked to perform an extremely difficult policing task with inadequate staff. We recommend that the FCO confront the UN with the failings of the international police in Kosovo and work with UN headquarters to address these failings (paragraph 117).**

The Government is conscious of the difficulties UNMIK has had in recruiting enough civilian police officers to meet its Security Council mandated level of 4,718. The total number of UNMIK police, as at February 2001, was 4,446: 3,229 in the civilian police and 970 in eight special police units. The UK currently contributes 117 police officers to this mission: 62 from the Royal Ulster Constabulary (RUC) and 55 from the Ministry of Defence police. The UNMIK Police Commissioner is a serving UK officer and both the RUC and the MOD police have earned much praise from the international community for their efforts in Kosovo.

Part of the task of the international police presence is to build local capacity, to enable police officers from Kosovo to take on increasing responsibility for policing, and thus enable the international presence to reduce in size. The UK provides 38 police trainers to the OSCE police training school in addition to the 117 police officers mentioned above. As at March 2001, 3,138 Kosovo Police Service (KPS) officers had graduated from the 19-week training course and they are now in field training or have graduated to limited independent patrolling. The aim is for the KPS to reach a total of 6,000, including significant numbers of recruits from ethnic minorities, by the end of 2002.

The Government is aware of the problems which UNMIK police face and works closely with the UN to seek to address these issues.

- (bb) We welcome the decision of the UN Secretariat to allow recently retired police officers with firearms training to serve in Kosovo. We recommend that the FCO take steps to bring this opportunity to the attention of retired officers (paragraph 118).**

The Government is actively looking at the recruitment and deployment of recently retired police officers, including those with firearms experience, to UN overseas civilian policing missions. But this project is still at an early stage. If it is decided to hire increased numbers of retirees, such opportunities will be advertised widely amongst serving officers nearing retirement and those who have recently retired. The Government has recently produced a recruitment video and accompanying booklet about policing abroad that will be useful information tools for such an exercise.

- (cc) We recommend that the FCO encourage ACPO to change its policy and allow armed officers to perform executive tasks in international peacekeeping missions (paragraph 118).**

The Government will be raising with the Association of Chief Police Officers (ACPO) the question of whether English and Welsh police officers can carry out executive tasks overseas. But the Government is conscious that the forces that are represented by ACPO have only a limited number of officers trained in the use of firearms, and that those who are thus trained are reported to be fully committed in their respective forces.

(dd) We welcome the establishment of the Criminal Intelligence Unit, and the support that the Government has provided for it. However, we are concerned by the delay in its establishment and recommend that the FCO explain the reasons for this delay (paragraph 120).

The Criminal Intelligence Unit (CIU) became fully operational on the completion of its building in March 2001, less than a year after the original scoping study. UN regulations required that the construction of the CIU office be put out to competitive tender. All elements of the building had to be imported. Agreements also had to be negotiated to supply utilities to the Unit. The concept and detail of the functioning of the CIU also had to be agreed by the UN.

(ee) We recommend that the Government do all it can to carry forward the Feira conclusions and the recommendations in the Brahimi report on the strengthening of international policing missions (paragraph 121).

European Union member states are currently working to strengthen their capability to respond to the civilian policing aspects of international crises. EU member states conducted a stock-take on follow-up to Feira at the EU Police Commissioners Conference in Brussels on 10 May 2001. This confirmed that the EU is well placed to meet its target to provide up to 5,000 civilian police peacekeepers, with 1,000 available for rapid deployment, by 2003. The UK will be contributing up to 450 officers of whom some will be deployable at seven and 30 days notice in accordance with the Brahimi recommendations. The contribution of UK police to peacekeeping missions overseas is greatly valued by the UN and other bodies, particularly because our officers are highly trained and motivated. The Government continues to emphasise that deployment of police officers overseas should be demand-led and that deployments should be made under an EU banner only where this adds value.

As regards implementation of other recommendations in the Brahimi Report, the FCO objective is to enhance the capacity of key civilian policing contributors for UN-orientated training. In November 2000, the FCO held a "Train the Trainers" course for civilian police trainers at National Police Training at Bramshill, attended by 17 participants from 7 key contributing countries. Under the FCO/MOD/DfID jointly funded Conflict Prevention Pool, the FCO proposes to carry out an expanded programme of regionally based follow-on courses overseas in the Financial Year 2001/02. This would also include a modified version of the UK's existing pre-deployment training course to key/potential contributors.

(ff) We recommend that the FCO continue to press UNMIK and UN headquarters in New York to consider members of the United Kingdom legal profession for positions in Kosovo. We welcome the FCO's efforts to bring up this issue again with the UN authorities, and wish to see the results of this as soon as they are available (paragraph 126).

The UN Secretariat and UNMIK have recognised the need to increase the number of international judges and prosecutors but have not yet defined the precise requirement, including in terms of numbers. The Government is continuing to press for the earliest possible action and has said it is ready to respond positively to any request. There are a large number of UK volunteers who have indicated that they would be willing to be deployed in legal positions in Kosovo. The Government welcomes the creation of a new Police and Justice Pillar within UNMIK, which reflects the Special Representative's intention to strengthen the capabilities and functioning of the law enforcement and criminal justice system in Kosovo.

- (gg) We recommend that the Government do all it can to facilitate the work of the Special Envoy of the High Commissioner for Human Rights in his work on those deprived of their liberty as a result of the Kosovo conflict, including investigating the fate of those Serbs missing in Kosovo (paragraph 134).**

The Government supports the work of the Special Envoy and continues to press the government of the FRY for the release of the remaining Kosovo Albanians held in Serbian jails who were convicted on trumped-up political charges by the Milosevic regime. The Government welcomes the release of prisoners thus far.

The International Committee for the Red Cross (ICRC) estimates that around 3,400 people remain unaccounted for in Kosovo since 1998. The ICRC are working to trace the missing and have posted their details in a 'Book of the Missing' web site. The Government would like to see all the missing in Kosovo of all ethnicities traced, and will keep up the pressure on all parties to co-operate.

- (hh) We recommend that the Government encourage UNMIK to consult as widely and as transparently as possible on the future of Kosovo's democratic institutions (paragraph 142).**

The Government encouraged UNMIK to consult widely and welcomes the fact that it was able to do so. A joint working group with representatives from political parties, communities, civil society, and the international community (including Belgrade) created a comprehensive draft text, leaving only a few, but politically sensitive, questions open. These reflected often profound disagreements between the different political parties and representatives of the communities on certain issues. Following this extensive period of consultation, Hans Haekkerup (the Special Representative of the Secretary-General) used his judgement to resolve the outstanding issues, under the powers vested in him by UNSCR 1244. The 'Constitutional Framework for Provisional Self-Government' was promulgated on 15 May. The Government supports it.

- (ii) We concluded that, while there are unsatisfactory elements to the existing situation in Kosovo, immediate independence would be destabilising and reintegration with Serbia would be unlikely in any meaningful timescale. There is considerable scope within UNSCR 1244 for developing a political process aimed at resolving Kosovo's future, as well as developing "provisional democratic self-governing institutions." We recommend that the Government work with its international partners to ensure that the Kosovo Albanians are aware that the further development of those institutions will depend upon a sustained reduction in violence within Kosovo and across its borders. We believe that there should be a different level and intensity of dialogue with the Kosovo Albanians. Such a dialogue should seek to promote much more rapidly the assumption of control over the province through democratic institutions, and continuing aid and support for reconstruction and economic development, in return for cast iron guarantees that the Kosovo Albanians will uphold impartially internal law and security for the Serb minorities and the prevention of cross border violence into neighbouring Macedonia and Serbia. We further conclude that the mission in Kosovo is unlikely to be completed for several years. The British Government should be doing its utmost to persuade all those countries contributing to the peace process in Kosovo, including Russia and the United States, to make a commitment of both civilian and military personnel to Kosovo of sufficient strength so that the progress achieved to date is built upon and not reversed (paragraph 146).**

The Government welcomed the recent announcement of the 'Constitutional Framework for Provisional Self-Government' as a major step towards assumption by Kosovo's people of responsibility for their day-to-day government. As required by UNSCR 1244, UNMIK stands

ready to facilitate a consultation process on Kosovo's future status when all the parties, including Belgrade, are ready.

Until this time, the Government – alongside our international partners, and reinforced by moderate leaders in Kosovo – has emphasised the need for effort to be focussed on the creation of a democratic and tolerant multi-ethnic society, governed by the rule of law. The key requirement is for Kosovo's politicians to show leadership, including through the condemnation of violence and supporting actively efforts by UNMIK and KFOR to tackle extremism and organised crime.

The Government does not believe it is appropriate explicitly to link the achievement of a reduction in criminality and extremist attacks in Kosovo with the continuation of carefully targeted development aid. However, the aid we provide is within the context of clearly stated Government and EU policy that we will only support those in Kosovo who unreservedly choose the path of peace, democracy, reconciliation and regional cooperation, which defines the projects we are willing to support. This strategy is being reinforced by highlighting for Kosovo's leaders (and the wider Kosovo public) the damage which extremism and organised crime are doing to Kosovo's image and future prospects (e.g. for inward investment).

The Government agrees with the Committee that the mission in Kosovo is unlikely to be completed for several years although a reduction in the international presence should be achieved over time in tandem with increased responsibility for self-government being transferred to the people of Kosovo. The Government will continue to emphasise to its partners, including through the EU, NATO, OSCE and the UN, the need to continue to resource adequately UNMIK, KFOR and the other agencies operating in Kosovo, in order to achieve lasting progress.

(jj) We welcome the efforts of the new administration in Belgrade to resolve the crisis in the Presevo valley by peaceful means. We also welcome NATO's commitment to ensure that the return of the Yugoslav army to the Ground Safety Zone will be "controlled" and "conditioned". Recalling the difficulties of the OSCE KVM monitors in 1998-99, we recommend that the Government work within NATO and the EU to ensure that any monitors have a clear mandate and are fully resourced to fulfil their mission. We further recommend that the Government make clear to the administration in Belgrade that it will be held responsible for protecting the human rights of all its citizens in the Ground Safety Zone (paragraph 159).

The Government welcomes the conditioned and controlled return of Yugoslav security forces to the Ground Safety Zone, an operation that was completed successfully by the end of May 2001. The credit for this is largely due to the constructive and forward-looking attitude of the Yugoslav government, and in particular of Deputy Prime Minister Covic, and to the courage of local ethnic Albanian political leaders. The facilitating role played by EU and NATO representatives was also invaluable. However, the return of Yugoslav forces represents only one early stage of a much wider effort to secure peace and stability in southern Serbia in the longer term, which requires the implementation of a considerable number of confidence building measures, particularly through steps to increase the participation of ethnic Albanians in public institutions such as the police, civil service and local government. All parties have indicated their commitment to the implementation of these measures, and the Government will continue to monitor progress closely together with our partners, and will press for further action as appropriate.

The European Union Monitoring Mission has a clear mandate from the international community to monitor developments in southern Serbia. The Government is satisfied that it is fully resourced and that its continued presence acts as an important confidence building measure to all citizens.

(kk) We conclude that the crisis in the Presevo valley represents a significant test for the EU's Common Foreign and Security Policy, and for co-ordination between that policy and NATO. Failure in this area threatens what has been achieved so far in the Balkans, and we recommend that the Government act with its partners to address and contain the problem before it worsens (paragraph 160).

The Government agrees that the situation in the Presevo valley has been a good practical test for the EU's Common Foreign and Security Policy. We are encouraged by, and welcome, the close engagement of Javier Solana, the CFSP High Representative, and his staff, together with the close working relationship developed on this issue with Lord Robertson and his staff at NATO. On the ground, KFOR and EUMM have worked together successfully. This co-operation is continuing in Macedonia, which Lord Robertson and Javier Solana have visited together. We are convinced that the closest possible co-ordination between the EU and NATO in Brussels and on the ground, while respecting the specific competences of the two organisations, offers the best means of coping with such crises.

(ll) We recommend that the Government should work with the OSCE and the Council of Europe to ensure that the Macedonian census is conducted according to international standards, and that efforts are made to encourage the Albanian population to participate fully in the process (paragraph 161).

The Macedonian government agreed in April to postpone the census from May 2001. The OSCE and Council of Europe are working closely with the government to ensure that the census when it is held (possibly in October) meets international standards and is accepted by all sections of the population.

(mm) We express concern that NATO has not acted sufficiently rapidly or effectively to prevent the flow of arms across the border from Kosovo to Macedonia. We welcome NATO's efforts to improve its performance in this regard, and we recommend that KFOR act robustly to prevent the flow of arms and men from Kosovo into Macedonia (paragraph 164).

Despite the very difficult terrain of the Kosovo/Macedonia border, KFOR has acted robustly to counter the flow of personnel and material across it, including by stepping up the number of patrols, providing aerial surveillance and through increased liaison and intelligence sharing with the Macedonian authorities.

(nn) Macedonia has been a model in the region of a multi-ethnic and democratic government, which has not so far been the subject of widespread ethnic violence. If Macedonia should disintegrate into another Kosovo, Bosnia or Croatia, it would be a massive reverse for the United Nations, the EU and NATO. We recommend that the British Government take the most urgent steps to galvanize the international community into giving both the UN and NATO a clear remit to bring the situation in Macedonia under control and to counter Albanian extremist violence against Macedonia (paragraph 168).

The insurgency launched by ethnic Albanian extremists earlier this year has endangered Macedonia's stability and multi-ethnic democracy. We have been heavily engaged over recent months in support of efforts by the EU (under Solana) and NATO to stabilise the situation, including through the work of our Ambassador, Mark Dickinson, who was the acting EU Presidency representative until 30 June. We have concentrated on political and practical support for government efforts to roll back the insurgency, while at the same time pressing for urgent progress on the internal reforms necessary to undermine the political attraction of the extremists. The signing of a Stabilisation and Association Agreement between the EU and Macedonia in April was also an important symbol of our commitment and a practical aid to the integrity of the country.

The appointment in June 2001 of Francois Leotard as a high-level resident EU Representative in Skopje should provide new impetus to facilitating the dialogue between the main parties representing both ethnic communities. The EU has also made available constitutional legal experts to resolve issues related to the constitutional status of Macedonian Albanians. Following a formal request from the Macedonian Government for NATO assistance in the implementation of any peace agreement reached, NATO has agreed to look at options for limited assistance to a programme to collect weapons from the National Liberation Army (NLA). NATO has made it clear, however, that a force would only be deployed once a firm settlement had been reached and the NLA had agreed to disarm.

(oo) We recommend that the Government should impress on the various authorities in Bosnia the importance of making Dayton work, and the urgent need to use the external funding provided to build effective political and commercial links between the Republika Srpska and the Muslim Croat Federation and to implement the reforms required by the international community (paragraph 171).

Our top priority in Bosnia and Herzegovina is to continue building stability on the basis of the Dayton Agreement, and thereby help to establish a fully-functioning multi-ethnic state. Through the work of the Peace Implementation Council, as well as the EU's Road Map for progress towards a Stabilisation and Association Agreement, a clear framework has been established for action and reforms to be undertaken by the Bosnian authorities. Within this framework, the UK has focussed on strengthening the state institutions. This includes supporting the State Border Service, Civil Service reform programmes, and police and judicial reform. We have also pressed for the adoption of key pieces of legislation such as the election law; for ongoing military reform aimed at reducing defence spending and the creation of a unified army; and for support for increased returns of refugees and displaced persons.

The core economic reform programmes of the EU and the International Financial Institutions aim to develop Bosnia and Herzegovina as a business-friendly, single economic space. Funding and technical assistance from these programmes, and from our bilateral assistance programme, provides concrete support to the Bosnian governments' efforts to meet specific reform requirements. This includes action to eliminate inter-entity trade barriers. Most recently, the Bosnian authorities have made progress in harmonising inter-entity banking legislation and excise and taxes, and adopting pension reforms.

(pp) We recommend that the Government press NATO to cooperate fully with the proposed WHO study into depleted uranium, and that the Government give serious consideration to the possibility of providing funding for the study (paragraph 177).

On depleted uranium, the WHO collaborates fully with UNEP, the European Commission and NATO. The British Government has co-operated throughout with the work of the NATO Ad-Hoc Working Group on depleted uranium, and the European Commission report, and has donated £55,000 for the UNEP investigation into the wider environmental effects of the Kosovo conflict.

Although the British Government is not currently planning to provide funds for the proposed WHO study on depleted uranium, it is providing expert consultants to take part in another WHO study. This study, which looks at wider health systems and services, may well cover some of the same ground as the proposed depleted uranium study.

(qq) We are concerned that there is inadequate FCO ministerial oversight of an area where considerable United Kingdom financial resources and personnel are committed and which has great relevance to the future stability of Europe, and where a window of opportunity exists to effect real change. We recommend that an FCO Minister visit the area urgently, and thereafter should visit on a more frequent basis (paragraph 178).

We do not agree with the Committee's concern that there has been inadequate ministerial oversight. The previous Foreign Secretary, the Rt. Hon Robin Cook made many visits to the region and was constantly engaged in the issues, helping shape international reaction to developments in the region. Most recently, he visited Belgrade and Macedonia at the beginning of April, and at the end of that month visited Kosovo and Montenegro. The previous Minister for Europe, Keith Vaz, attended the Regional Funding Conference of the Stability Pact in March 2000 and the Peace Implementation Council on Bosnia in May 2000, both in Brussels. He also hosted a conference on the Balkans in London in July 2000. Ministers and senior officials in London also received visitors from the region, including FRY Foreign Minister Svilanovic and Montenegrin President Djukanovic. The PUSS with responsibility for South East Europe, Dr. MacShane, visited Kosovo on 27/28 June. Dr. MacShane will also visit the FRY and Macedonia in the near future.

(rr) We recommend that the FCO and Trade Partners United Kingdom remain in close touch with the Danube Commission and update the Committee on progress on clearing the Danube to commercial traffic (paragraph 189).

A project director for the clearance of the Danube was appointed in April, and the project team is now in place. Tenders for the clearance work have been published. The Danube Commission remains on course to meet its objective of creating a navigable channel at Novi Sad by late summer or early autumn this year.

(ss) During the last decade more than 90,000 have been killed in the Balkan wars and civil conflicts. At one time or another more than 4.5 million people have been displaced from their homes. NATO has been compelled to go to war for the first time in its history. More than 70,000 international troops, including 6,900 from the United Kingdom, maintain peace in Bosnia and Kosovo. This is certainly not a "quarrel in a far away country between people of whom we know nothing."

Events in the Balkans cannot be separated from European security. The power of instant media coverage of the conflicts and humanitarian disasters is now a major foreign policy factor, forcing governments to act. Other than altruistic and humanitarian motives there is also a mutual self interest of Western European governments to prevent major refugee flows across porous boundaries. As this Report underlines, what happens in Serbia, Bosnia, Montenegro, Macedonia and Kosovo matters, and influences European security and stability.

Our report was prompted by the dramatic events in Belgrade in October 2000 – a people's revolution which overthrew Milosevic. We have attempted to evaluate the consequences of these dramatic events not only upon Serbia but also upon the immediate issues confronting its neighbours, Bosnia, Montenegro, Kosovo and Macedonia, and of course, upon United Kingdom and Western policy.

During the course of our deliberations we have identified that certain key assumptions at the centre of Western and UN policy are frankly unreal. There is precious little substance to the Federal Republic of Yugoslavia. Two parts of its territory are *de facto* outside its jurisdiction. In any meaningful timescale there is little or no likelihood that Kosovo will wish to enter into a relationship which could be considered remotely federal. Montenegro is about to embark on a referendum to consider seceding from the Federal Republic.

That does not mean, of course, that new relationships cannot be created in the future. There may come a time when mutual self interest will forge such a relationship; though it would be foolish to assume mutual economic interest will easily override the intense bitterness engendered by recent conflicts or endemic in historic experience.

Secondly, there is an unreal assumption both within the UN resolution 1244 and international policy pronouncements, that there is any likelihood in a meaningful timescale of a restored multi-ethnic Kosovo; while 100,000 refugees remain outside with little hope of returning. Albanian/Serb co-operation within Kosovo is marginal.

One of the more immediate challenges will be the issue of Montenegro's status. While we more than understand the reluctance of the international community to see further fragmentation, and conscious of the fact that such earlier secession fuelled conflict, we have concluded that Montenegrin independence, if endorsed by a free and fair referendum, should be manageable. A far greater threat to peace and stability are the unresolved issues surrounding Kosovo and Macedonia.

It was not our original intention to revisit Kosovo during this inquiry. But both events and unresolved issues have compelled us to do so. We call for an urgent and more intense dialogue with the Kosovo Albanians both to carry forward change within Kosovo and to stem Kosovo as a source of violence and conflict within neighbouring territories.

The growing tension and violence in Macedonia have a frighteningly similar pattern to that experience in Bosnia. The British Government should take the most urgent steps to galvanize the international community into giving both the UN and NATO a clear remit to bring the situation in Macedonia under control and counter Albanian extremist violence against Macedonia.

However, amid an essentially gloomy and threatening situation, the real positive hope for the future of the region will be the development of a democratic and economically reformed Serbia/FRY. The source of much of the original conflicts, Serbia now has the capacity to be a powerful positive political and economic force, under courageous democratic leadership. The new democratic Serbia deserves the full support of the United Kingdom and international community (paragraph 190).

The Committee is right to identify the well-being of South East Europe as a matter of crucial importance both to the UK and to the European Union. There is a substantial national and European interest in ensuring the stability and prosperity of a region which borders the EU, and whose countries are natural candidates for participation in European political and security processes. The risks of allowing the region to be isolated from the remainder of the continent are obvious: increased ethnic conflict, economic and social degradation, waves of refugees, increased criminality and continuing abuses of human rights. Both from an altruistic and a self-interested perspective, substantial involvement in the Balkans makes sense.

The stability and prosperity which we seek in partnership with the countries of the region will come from democratic and economic reform, respect for human and minority rights, regional integration and an ever-closer relationship with European and international structures. We have therefore supported the close involvement in South East Europe of the EU, the OSCE, the Council of Europe and the international financial organisations. The Stability Pact has also made a real contribution to regional integration since its establishment in July 1999, and NATO has developed further its role as a contributor to regional stability.

In the long-term, the most important factor for regional stability will be the EU. At the Feira European Council in June 2000, the EU affirmed that countries of the Western Balkans could become candidates for EU membership if they fulfil conditions on regional co-operation, democratisation and market reform. A policy framework – the so-called Stabilisation and Association Process – provides for aid, trade and tailored agreements that provide a road map for closer European integration. The incentive of EU membership – which was reaffirmed at the November Zagreb summit – is already drawing the region closer to European norms.

At the same time, we warmly welcome the continuing involvement of the USA in the region. US engagement has made a major contribution to the progress that has been achieved. The US involvement in SFOR and KFOR in particular has been and remains essential to the success of those two missions. We applaud the continuing US commitment to work together with their NATO Allies and EU partners to resolve remaining sources of conflict and help the region integrate into Euro-Atlantic structures.

Most of the states emerging from the former Yugoslavia suffer from severe internal divisions. These divisions have led repeatedly to violence, with conflict in one area often leading inexorably to conflict in another. The priority of the international community is to prevent further conflict by promoting a calm and consensual approach to ethnic, religious or political disagreements in the region. Once the vicious cycle of conflict is broken, moderate forces tend to re-assert themselves and progress can be made.

The Committee's report was occasioned by an event that marked a dramatic turn for the better in Yugoslavia – the fall of Milosevic, ousted by the Serbian people after a decade of totalitarianism and corruption. The Government believes that the Belgrade revolution of 5 October 2000 offers the region a new chance to enter a virtuous circle of cooperation. We have already seen the benefits in a renewed relationship between Belgrade and regional capitals; in the resolution of the financial and other issues left over from the break-up of the former Yugoslavia; in FRY-NATO-EU cooperation over the Ground Safety Zone in southern Serbia; in increasing contacts between UNMIK and the Belgrade authorities on practical issues; and in movement towards cooperation with the ICTY.

The Committee identifies the status of Montenegro and Kosovo as two major outstanding issues which need resolution. The Government agrees, but does not accept that it is “unrealistic” to believe that a resolution of the status of Montenegro is possible within a Federal framework, or that a functioning multi-ethnic Kosovo is a credible option. We do not underestimate the difficulty of these issues. It will take long patient dialogue to bridge the political divide in Montenegro (revealed starkly in the 22 April elections), and the lack of trust between the various communities in Kosovo now runs extremely deep. But we believe that we must do all that we can to avoid rushed solutions based on ethnic cleansing or political expediency. As the increasing rate of refugee return in Bosnia and Herzegovina shows, it can take many hard and frustrating years for progress to take place – but when it does, it can develop an unexpected momentum of its own. We will continue to urge all parties to conflict in the region to cease violence, to enter genuine dialogue, to adopt confidence-building measures and to avoid unilateral moves that destroy the possibility of consensus solutions.

ANNEX

Select Committee on Foreign Affairs Fourth Report

Letter from the Foreign and Commonwealth Office to the Clerk of the Foreign Affairs Committee, 11 May 2001

DIPLOMATIC REPRESENTATION IN MONTENEGRO

In the conclusions of its report on HMG's policy towards the Federal Republic of Yugoslavia and the wider region following the fall of Milosevic, the Foreign Affairs Committee requested an early response on the issue of diplomatic representation in Montenegro.

We believe that reinforced staff levels at the Embassy in Belgrade currently provide satisfactory coverage of events in Montenegro. Since his arrival in Belgrade in January, Ambassador Charles Crawford has made three visits to Montenegro. David Slinn, former Head of the British Office in Pristina and recently appointed on a temporary attachment to the Embassy in Belgrade, has also visited Montenegro and will give further support to the Ambassador in covering political developments in Podgorica. The Embassy has been further reinforced to include representatives from the Department for International Development and the Department for Trade and Industry, whose remit includes Montenegro. The Director for South East Europe, Alan Charlton, visited Podgorica on 6 March, as, on 25 April, did the Secretary of State. Embassy staff also meet senior Montenegrins in Belgrade when the opportunity arises.

Coverage and reporting of the elections themselves were provided by two members of the Embassy staff working from Montenegro over the election period. Dragan Vugdelic, who acts as Honorary Consul and Head of the British Council Office in Podgorica, was also on hand during the elections.

Montenegro will continue to be a focus of political and diplomatic interest. The case for a post in Podgorica will remain under review.



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