

## **Transcript of the Press Conference in Brussels**

Very briefly on the Steering Board. We have been reviewing a number of issues. We had plans quite some time back to have a review of the arms control issues, so we had General Eide who is in charge of overseeing the arms control aspects of the agreement here, and we are concerned with the slow progress. But we were at the same time encouraged by the possibility of there being speedier progress in the next few weeks. That remains to be seen. But of course, the main aspect of the discussions today has been Brcko, and Brcko implementation issues, where all of the countries have assessed the situation somewhat more carefully after the week-end. We are mildly encouraged by what we can call the reluctant acceptance by the parties, all of them, of the award. Although it is worth noting that there are somewhat different versions of the award presented in the media on both sides, and that is of course something that we are not entirely unused to. It is an enormous task that lies ahead of us. We have been concentrating discussions today quite a lot on the police issues. I have said that in my estimate we would need roughly 200 additional international police officers in the area. We have discussed different models for mobilising that number, and for organising that number, and we have not made a final decision on that, but we will have a final decision made within the next few days in order to be able to proceed with the organisation and the recruitment of that force, so that there can be at least substantial elements of that in place at the time that the implementation begins.

I have reported somewhat on the efforts and the way to find the deputy for the Brcko area, and I am confident that the deputy will be there in time for the conference that we are going to have in Vienna on the 5th and 6th of March, at which time we also, with the representatives of the parties, are going to discuss primarily the international efforts that are going to be needed. That is not going to be a conference where we are going to open up aspects of the award itself to negotiations and talks, but it is going to be a conference devoted to the mobilisation of the international resources that are going to be necessary in order to make the award come true. I have expressed concern about the need for substantial further international resources for housing because, if we are going to help in the Brcko area both with those Bosniaks and Croats that want to move back to RS territory, and we need to take care of Serb DP's that are there now at the same time, then that quickly adds up to very significant amounts of money. Those amounts of money are going to be so significant that they are going to have an overall impact on what we are able to do in Bosnia as a whole next year if we are not able to have increased levels of funding for the housing activities, because what we do in terms of Brcko is really not having any significant impact on refugee return as such, by that I mean people who are in Western European countries, because most of the people that are coming from the Brcko area are in the Brcko area. They are to a very large extent within 20 or 30 km of each other but it is going to require very substantial sums of money. That is briefly it from my side.

**Question:**What is your idea about the status of the new police force for Brcko. The Americans have proposed that it would be an independent police force.

**Carl Bildt:**There is an American proposal which is a force for the freedom of movement issues. My view is that that is much too restricted force. I don't see that as the number one problem. We might have a problem with the freedom of movement issues but I don't expect that this is going to be a number one challenge. The number one challenge is going to be all of those issues associated with the refugees' return and they have to do with general law enforcement issues. Police forces all over Bosnia, by the way, have a tendency towards low scale continuous harassment of people which has very little to do or at least only marginally is related to what people do when they drive on the roads. But very much housing restrictions, how the courts of system operates, what the policemen do when they do the patrolling on the streets and a police force that is primarily here to patrol the roads. I think the risk is being far too restrictive in relation to what we need to do in Brcko. You are correct that is one of the proposals that is on the table but I would think that we will go for something that has a wider function.

**Question:**Today there was a report published in the AFP, this afternoon, on the American proposal, not exactly the police forces, neither SFOR. They said it will be the independent forces under the control of your new Deputy for Brcko.

**Carl Bildt:**My issue with that proposal is that it is too restrictive, it does not address the most critical issues. Because the freedom of movement is important and might be challenged but I don't think that the major challenge is going to come on the freedom of movement, the major challenge is going to come on the return of refugees. And

if we then have an enormous highway patrol of force, that does not contribute that much to the solution of the number one issue that we have.

**Question:** So they have to be police forces?

**Carl Bildt:** Well, the police monitoring or training. You have to see it as a package. The training and the monitoring, and the vetting, and the certifying of the local police forces because internationals cannot do the job forever, but it is a question of training, equipping to a certain extent, controlling, monitoring the local police forces, restricting them in numbers, improving them in quality and having constant monitoring and then across the board. You can't only say that we are interested in freedom of movement, or in burglary, or in bank robberies, you have to take it across the board.

**Question:** Is it realistic the idea that Brcko becomes some kind of free trade zone or special status D.C. ? I have listened to one of the American ideas.

**Carl Bildt:** To start competing with the Cayman Islands and Bermuda or Singapore. I am not quite certain that the people who have advanced these ideas have ever been to Brcko. But long term of course the re-establishment of normal trading links in the region will be important for the Brcko area as well, but it cannot be only Brcko, very important is to open up the trade links between Bosnia, and this is for practical purposes the Republika Srpska parts of Bosnia now, and the Republic of Croatia. That will have a significant effect also in the Brcko area because in the Brcko area we do have somewhat the major communications. The only rail link from Federation up north will go through Brcko when the bridge is repaired. The bridge will be repaired early summer, we hope. It is being worked on now. We are dependent upon Croatia repairing its part of a fairly long stretch that goes up on the Croat side, and that is in a state of rather serious disrepair, so that needs to be done, and that can be done. Then of course the Arizona road, which is included in the supervision area, will I think remain the number one north-south communication point, which it is today. There is a very large traffic on the Arizona road. That works fairly well, the problem there of course is there is no bridge. At Orasje, there is a ferry traffic that goes fairly smoothly. A bridge will be built. I think it is not going to be completed this year, next year. Long term there is another bridge going further to the west in Samac, which is going to be even more significant long term because that is another road bridge and a more significant railway link, because that is the main Sarajevo-Doboj-Samac and into the Croatian system, electrified, where the Brcko link is non-electrified and with more limited capability. But anyhow it will be important.

**Question:** But is it realistic to think about some special status, specific interests exist on three sides ?

**Carl Bildt:** There are specific interests on the three sides in a lot of areas in Bosnia. The problem is that the Constitution of Bosnia and Herzegovina doesn't really as it is now allow it. That means that if there should be such a solution, there will have to be a constitutional change. That will have to pass through the Presidency and the Parliamentary Assembly and my prognosis for such a constitutional change, given the political situation as I see during the next year, is not overly optimistic. I would say that we will have to seek the solution within the existing constitutional framework of the country. You might discuss in terms of constitutional change, but constitutional change in Bosnia is going to be difficult with the divisions that are there. That being said of course you can say that Brcko is going to be a special district in the sense that there is going to be a heavier international supervision and presence in Brcko than in anywhere else for the coming year. Although the obligations that are there in Brcko RS now will be there when implementation starts, they are really no different from the obligations that are there in any other RS territory and any other Federation territory. No difference, identical. But the amount of supervision and help is going to be vastly larger in Brcko than anywhere else in Bosnia and Herzegovina and that makes a difference.

**Question:** What is the prospect for Brcko after this year ?

**Carl Bildt:** I prefer to take one step at a time. I think it is going to be very much dependent on the overall level of political relationships between the entities as it develops during the year. It is very easy to describe all of the problems, we can all do that, at the same time as one can note that things are happening now that were nearly impossible a couple of months ago, in terms of contacts across the IEBL. Freedom of movement I wouldn't say there aren't great problems with it, yes there are, but for example the freedom of movement we see is increasing. I have got reports during the last few days of highly controversial figures from the one side making repeated visits over to the other side, in a way that would have been unthinkable a couple of months ago. But it is now being done with evidently an amount of confidence, because these things are not organised by us, and we are not aware of it

until we get information through gossip channels afterwards. So it might work. There are also other scenarios of course but otherwise we wouldn't be there.

**Question:**You said at NATO today that you expect important challenges this year. Which kind of challenges ?

**Carl Bildt:**The challenge is of course various situations. Brcko is really the focus of the conflict, you can say. The control of Brcko decides the control of Bosnia and changes the entire geo-strategic situation not only of Bosnia but of the substantial part of the Balkans, de facto. It was one of the most fiercely contested fought over pieces of the territory throughout the war for obvious geo-strategic reasons. Then you can say that we are going to take this very, very hotly contested area, perhaps the most hotly contested area during the entire war, and during one year take it into the very model of the implementation of some of the most difficult aspects of the most ambitious peace agreement in history. If that is not a challenge, I don't know what a challenge is. If you look at the freedom of movement issues I expect them to be the least problematic. The refugee return issues is the most problematic. The local democracy issues is problematic and the refugee return issues have to do with the fact that it is an area where destruction is enormous. If you go to the southern parts of Brcko it has improved somewhat during the last few months but prior to that it was at least in my view, when you were standing in the middle of that part of what was once a town, it was like what I would envisage the world after major nuclear war. There was absolutely no life, there were just ruins as far you can see, so an enormous amount of destruction in the area and a very large number of people because you have most of the people that were driven away from Brcko, Muslims and Croats, living adjacent. They are 15 or 20 km from there. At the same time you have a very substantial number of Serb DP's coming into the area and all of these have to be taken care of within a very small area where destruction is very large and where the geo-strategic focus of the entire conflict is. And all of this will have to be done with the wider strategic picture in focus, the interest that is there from the RS side, the east-west connection, and the interest that is there from the Federation side primarily the Bosniak side in the north-south. Being able to have that direct link to the European market not being dependent upon Herzeg-Bosnia or whatever it could be, what access to Europe or the rest of Europe.

**Question:**There are some rumours that a lot of people from Eastern Slavonia, the Serbs, are leaving the region. Do you have the impression that some of them are trying to enter the Brcko region ?

**Carl Bildt:**I think that the latest figures I have heard was six. If that was six persons or six families I don't know. It didn't make much of a difference. So far we have not had any influx from the Eastern Slavonia into Brcko. I have talked with the local authorities in Brcko who said that is not something that can happen because we are going to have the pressures in that area anyhow. So if there are people coming from Eastern Slavonia they need to be taken care of at other areas of the RS. The RS authorities are now actively trying to discourage movements out of Eastern Slavonia and they do that because they have a rather desperate economic and social situation inside the country. If it were to be added to that, say 20 or 30 or 40 000 Serb DP's coming out of the Eastern Slavonia, that is not a situation that is going to be very easy for them to handle, it is going to be very, very difficult for them.

**Question:**Even for the Serbian authorities ?

**Carl Bildt:**For the RS authorities. Wherever in the RS. We should not forget that the refugee problem in the RS and the DP problem is different from in the Federation. In the Federation there are very few collective centres left, there are some, but they are gradually disappearing. Especially up in the Tuzla region, but in the parts of the RS there are quite a lot of collective centres, under very difficult conditions that are still operating and there is no spare accommodation available so any influx of refugees will have to be taken care of in very, very rudimentary conditions.

**Question:**The situation in Eastern Slavonia is still very tense, maybe who knows.

**Carl Bildt:**Maybe who knows. We had a brief exchange on this at the Steering Board as well. There are different guesses on what will happen in Eastern Slavonia, I think it is too early to tell. I think that it was a very good sign that the local elections were deferred until April 13. That gives some additional time to sort out some of these issues. I was worried how things were developing up until a week or ten days ago because we had a very rapid increase in the numbers of people coming out of Eastern Slavonia, very rapid indeed. I haven't seen the figures for last week. But I think the postponement of the elections have had a calming effect, whether that was temporary or permanent remains to be seen. But of course refugees coming out of Eastern Slavonia will go into Yugoslavia first and they can only enter Republika Srpska through Yugoslavia. There is no direct route.

**Question:**And Mr. Milosevic will not accept new refugees, the only way is to go to the Republika Srpska.

**Carl Bildt:**There are a lot of refugees in Yugoslavia. 600,000 I think. So the burden in Belgrade, Vojvodina wherever is enormous already, in terms of all of the people that are displaced and are refugees there. The burden is enormous in RS as well, more, because the economic situation is very bad, not that it is particularly right in Serbia to put it very mildly. So I don't think that anyone is really prepared to take on additional tens of thousands of displaced persons coming out of Eastern Slavonia. So it is very much in the interest of both Belgrade and Banja Luka and Pale to have as many Serbs as possible staying in Eastern Slavonia. That being said, realistically some will leave. There are persons who will never accept to live under the Croatian flag and that has to do with memories that go back generations in time.

**Question:**How many do you think will leave ?

**Carl Bildt:**That is a question that I can't answer. Even if I could I don't think I would. I don't know. I think Jacques Klein gave figures on that in public some time ago that were fairly low. I think he said, if 20,000 leave, I think that he said something like that, I would say it is, even under the best of circumstances, we are probably going to have 10 or 20,000 leaving. As a matter of fact we have probably had 10 or 20 000 already leaving. But if it becomes substantially more than that, then it is a different situation. At the moment we are getting very mixed signals, by listening to people who have been there very recently, they came back with very pessimistic views, I listen to others who have been there at the same time, and come back with much more confident predictions on what is going to happen. So there is no way of knowing.

**Question:**Do you have a total figure of the Serbs living there?

**Carl Bildt:**No. But out of those you have to make the division between those that were living there before the war, the original Serbs from Eastern Slavonia and then Serb DP's from Eastern Slavonia. From Krajinas and from Western Slavonia. There are quite a lot from Western Slavonia, an element of course of Krajinas. The Krajinas I think are probably those least likely to stay. There are historical reasons for that. Western Slavonia, open question. The original plan was of course when the entire UNTAES operation started that it was going to be possible to do return in a balanced way, that is you took the Croatian DP's back to Vukovar and took the Serb DP's back to Western Slavonia so that you re-established the situation , or started to re-establish the situation as it was prior to start of the outbreak of the war. That has not been a very successful avenue of approach since, as we know, the possibility for the DP's or refugees to return to Krajina or Western Slavonia, although there on paper, doesn't really exist in reality. The possibility of doing that has been to a very large extent blocked by the Croatian authorities and that has created the situation that is somewhat more difficult to handle, because the Croatian DP pressure to come back is going to be there, we don't know how much but of course people want to go back home and they have the right to it.

**Question:**How do you intend to resolve the problem of the Serb refugees, Serbs from Sarajevo in the Brcko area, and to bring the possibilities for the Croatian and Muslim refugees to return to Brcko? There are 20,000 Serbs living in Brcko that are from Sarajevo.

**Carl Bildt:**We don't think numbers are that high. It is well below 10,000. Between 6 and 9,000. But still it is still a significant number of Serbs from Sarajevo that are living there. I mean we would wish there to be the possibility for them to be able to go back to Sarajevo. At the moment that is difficult. The choice has to be theirs and we would like to be able to create the conditions for them to be able to return. That has to do with property laws on the Federation side and at the moment most of their housing has been occupied by others, that happened very rapidly and under existing laws it is very, very difficult for anyone to reclaim his apartment or his house and that means that they are to a very large extent, even if they wanted to, very many of them are effectively deprived of the possibility of going back. That adds to the problems that we are going to have in the Brcko area. I would wish that we would have the same possibility as I hope we will have in the Brcko area to secure refugee return, return of persons, that will have the same in the Sarajevo area but we are not going to have the same amount of pressure available in the Sarajevo area as we are going to have in the Brcko area. That will add to the challenges that we are going to face. The Serb DP's are from Sarajevo, substantial amount from Jajce in Brcko. Those two are the largest DP communities and then from I think quite a lot from Zenica as well.

**Question:**How many Muslim and Croat refugees would like to come or are ready to come to Brcko?

**Carl Bildt:**I think most of them. So there we are talking in terms of 20/25,000 Muslims and Croats and why this

high number, because it is a high number. Well because they are all living nearby. It makes the Brcko situation somewhat different from other situations, whether if you take the situation like Foca for example, Muslim refugees from there, financial situation for example or some more far away places then refugee return becomes, it is a different kind of issue. While in the Brcko case you have most of them are literally in the area, we also have by the way not in substantial number I have forgotten the figure but I think 3 or 4,000 Serb DP's in Brcko, RS Brcko that are DP's from Federation Brcko. That is 10 km to the south, where there were a number of Serb majority villages before the war. So it is a question of a rather massive refugee return population transfer within a very limited geographic area that we are talking about in Brcko, while, when we are talking about refugee return. Otherwise, we are talking in much larger geographic terms, Germany or Krajinas, or whatever, here it is much more condensed. Although I have to confess I met a person from Brcko who was an electrician in Northern Sweden but he was not an immediate candidate for return. He was an exception.

**Question:** Did you talk today on the Mostar situation ?

**Carl Bildt:** Not that much. I reported on the Mostar situation. We are expecting the report from the IPTF within the next few days. That will be a significant report, I expect that it will clearly give us the facts of what happened and who was responsible and then we will take action accordingly. The parties have committed themselves to respecting the findings of the IPTF investigation. We had an agreement on Mostar as you might remember on the 12th following what happened on the 10th. Some parts of that have been implemented by the parties, the most significant parts have not been implemented by the parties, primarily concerning the joint police patrols. They have not been re-established and that means that we are still in Mostar in the situation where things have gone backwards quite substantially in relation to what they were two or three weeks ago. It is necessary to re-establish progress rather fast. The immediate security situation in Mostar has been under control. What happened was that those who were evicted had the possibility of coming back. There were problems in that their flats had been taken care of, so to say, in rather deliberate way and that did create a problem, but you can say on the surface of it, yes, those evicted were allowed to come back immediately. The Mostar issues are very high up on our agenda, as are all of the Federation issues. There is reason to be concerned with the state of the Federation. I reported to the Steering Board that, as you know, the setting up of the Common Institutions is the key thing that we are working with. We have all of the Common Institutions there, with one exception, and that is the Constitutional Court and the Constitutional Court isn't there because the Federation has not managed to meet, the Federation Assembly has not managed to meet to take a decision neither on the Federation President or vice-president nor on the Federation Representatives in the Constitutional Court and that means that the Constitutional Court can't start operating, which is fairly irritating. There we see that the difficulties in getting the Federation to really start moving forward is impacting negatively on the Common Institutions, as if we didn't have enough problems with those anyhow. It really requires, in my opinion, much more statesmanship on both sides of the Federation to make it work. There is a tendency to fall back very easily in old divisions. Then there is of course the necessity to deal with certain issues, the West Mostar issues must be dealt with, but the Federation problems are not only the Mostar problems. There are other problems as well.

**Question:** One specific issue is that the Presidency of the European Union asked to identify the individuals responsible for the human rights violations and Amb. Steiner said that there will be some steps in that direction.

**Carl Bildt:** That is one of the instruments that we have and that we have been exploring for quite some time, and whether we are going to use that particular instrument on this particular occasion remains to be seen. That is going to be dependent upon the findings of the IPTF. It could be an effective instrument for certain of these persons but for certain other persons it might not be an effective instrument. It is an option that is very much high up on our laundry lists of actions that could or will be taken.