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## THE WHITE HOUSE

Office of the Press Secretary

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For Immediate Release April 10, 1998

### STATEMENT BY THE PRESS SECRETARY

Presidential Delegation to Key European Capitals  
to Consult on the Situation in Kosovo

Deputy Secretary of State Strobe Talbott will lead an interagency delegation to key European capitals for discussions with senior leaders on the situation in Kosovo and the former Yugoslavia. Deputy Secretary Talbott will travel in Europe from April 14-22, including stops in London, Rome, Paris, Bonn, Moscow, Brussels, Warsaw, Tirana, and Skopje.

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## THE WHITE HOUSE

Office of the Press Secretary  
(Berlin, Germany)

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For Immediate Release

May 13, 1998

### STATEMENT BY THE PRESIDENT

#### Agreement on Kosovo Talks

I welcome the news that President Milosevic and Dr. Ibrahim Rugova will meet on May 15 in Belgrade to initiate a dialogue without pre-conditions.

As Ambassadors Holbrooke and Gelbard announced earlier today, the parties have also agreed to continue this dialogue in a series of talks in Pristina.

This is a sober first step towards resolving a very dangerous conflict that clearly has the potential to spillover into neighboring countries and destabilize the region.

There is a great deal more to be done, however, before all the peoples of Kosovo enjoy the peace, security, and human rights they deserve. The Parties face a complex challenge, but success is up to them. We expect each to make good their commitment to serious and productive dialogue.

We should be mindful of the difficult road ahead, but we are encouraged to see this process underway.

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## THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release June 10, 1998

### EXECUTIVE ORDER 13088

BLOCKING PROPERTY OF THE GOVERNMENTS OF  
THE FEDERAL REPUBLIC OF YUGOSLAVIA (SERBIA AND MONTENEGRO),  
THE REPUBLIC OF SERBIA, AND THE REPUBLIC OF MONTENEGRO,  
AND PROHIBITING NEW INVESTMENT IN THE REPUBLIC OF SERBIA  
IN RESPONSE TO THE SITUATION IN KOSOVO

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3, United States Code,

I, WILLIAM J. CLINTON, President of the United States of America, find that the actions and policies of the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro) and the Republic of Serbia with respect to Kosovo, by promoting ethnic conflict and human suffering, threaten to destabilize countries of the region and to disrupt progress in Bosnia and Herzegovina in implementing the Dayton peace agreement, and therefore constitute an unusual and extraordinary threat to the national security and foreign policy of the United States, and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. (a) Except to the extent provided in section 2 of this order, section 203(b) of IEEPA (50 U.S.C. 1702(b)), and in regulations, orders, directives, or licenses that may hereafter be issued pursuant to this order, all property and interests in property of the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro), the Republic of Serbia, and the Republic of Montenegro that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are hereby blocked.

(b) The blocking of property and property interests in paragraph (a) of this section includes the prohibition of financial transactions with, including trade financing for, the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro), the Republic of Serbia, and the Republic of Montenegro by United States persons.

Sec. 2. Nothing in section 1 of this order shall prohibit financial transactions, including trade financing, by United States persons within the territory of the Federal Republic of Yugoslavia (Serbia and Montenegro) if (a) conducted exclusively through the domestic banking system within the Federal Republic of Yugoslavia (Serbia and Montenegro) in local currency (dinars), or (b) conducted using bank notes or barter.

Sec. 3. Except as otherwise provided in regulations, orders, directives, or licenses that may hereafter be issued pursuant to this order, all new investment by United States persons in the territory of the Republic of Serbia, and the approval or other facilitation by United States persons of other persons' new investment in the territory of the Republic of Serbia, are prohibited.

Sec. 4. Any transaction by a United States person that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this order is prohibited.

Sec. 5. For the purposes of this order:

(a) The term "person" means an individual or entity;

(b) The term "entity" means a partnership, association, trust, joint venture, corporation, or other organization;

(c) The term "new investment" means (i) the acquisition of debt or equity interests in, (ii) a commitment or contribution of funds or other assets to, or (iii) a loan or other extension of credit to, a public or private undertaking, entity, or project, including the Government of the Republic of Serbia, other than donations of funds for purely humanitarian purposes to charitable organizations;

(d) The term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States (including foreign branches), or any person in the United States;

(e) The term "Government of the Federal Republic of Yugoslavia (Serbia and Montenegro)" means the government of the Federal Republic of Yugoslavia (Serbia and Montenegro), its agencies, instrumentalities, and controlled entities, including all financial institutions and state-owned and socially owned entities organized or located in the Federal Republic of Yugoslavia (Serbia and Montenegro) as of June 9, 1998, any successors to such entities, and their respective subsidiaries and branches, wherever located, and any persons acting or purporting to act for or on behalf of any of the foregoing;

(f) The term "Government of the Republic of Serbia" means the government of the Republic of Serbia, including any subdivisions thereof or local governments therein, its agencies, instrumentalities, and controlled entities, including all financial institutions and state-owned and socially owned entities organized or located in the Republic of Serbia as of June 9, 1998, any successors to such entities, and their respective subsidiaries and branches, wherever located, and any persons acting or purporting to act for or on behalf of any of the foregoing;

(g) The term "Government of the Republic of Montenegro" means the government of the Republic of Montenegro, including any subdivisions thereof or local governments therein, its agencies, instrumentalities, and controlled entities, including all financial institutions and state-owned and socially owned entities organized or located in the Republic of Montenegro as of June 9, 1998, any successors to such entities, and their respective subsidiaries and branches, wherever located, and any persons acting or purporting to act for or on behalf of any of the foregoing.

Sec. 6. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to me by the International Emergency Economic Powers Act, as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government, all agencies of which are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order, including suspension or termination of licenses or other authorizations in effect as of the effective date of this order.

Sec. 7. The Secretary of the Treasury, in consultation with the Secretary of State, shall give special consideration to the circumstances of the Government of the Republic of Montenegro and persons located in and organized under the laws of the Republic of Montenegro in the implementation of this order.

Sec. 8. Nothing contained in this order shall confer any substantive or procedural right or privilege on any person or organization, enforceable against the United States, its agencies or its officers.

Sec. 9. (a) This order is effective at 12:01 a.m. eastern daylight time on June 10, 1998.

(b) This order shall be transmitted to the Congress and published in the Federal Register.

WILLIAM J. CLINTON

THE WHITE HOUSE,  
June 9, 1998.

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## THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release June 10, 1998

### EXECUTIVE ORDER

BLOCKING PROPERTY OF THE GOVERNMENTS OF  
THE FEDERAL REPUBLIC OF YUGOSLAVIA (SERBIA AND MONTENEGRO),  
THE REPUBLIC OF SERBIA, AND THE REPUBLIC OF MONTENEGRO,  
AND PROHIBITING NEW INVESTMENT IN THE REPUBLIC OF SERBIA  
IN RESPONSE TO THE SITUATION IN KOSOVO

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (IEEPA) (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3, United States Code,

I, WILLIAM J. CLINTON, President of the United States of America, find that the actions and policies of the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro) and the Republic of Serbia with respect to Kosovo, by promoting ethnic conflict and human suffering, threaten to destabilize countries of the region and to disrupt progress in Bosnia and Herzegovina in implementing the Dayton peace agreement, and therefore constitute an unusual and extraordinary threat to the national security and foreign policy of the United States, and hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. (a) Except to the extent provided in section 2 of this order, section 203(b) of IEEPA (50 U.S.C. 1702(b)), and in regulations, orders, directives, or licenses that may hereafter be issued pursuant to this order, all property and interests in property of the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro), the Republic of Serbia, and the Republic of Montenegro that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are hereby blocked.

(b) The blocking of property and property interests in paragraph (a) of this section includes the prohibition of financial transactions with, including trade financing for, the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro), the Republic of Serbia, and the Republic of Montenegro by United States persons.

Sec. 2. Nothing in section 1 of this order shall prohibit financial transactions, including trade financing, by United States persons within the territory of the Federal Republic of Yugoslavia (Serbia and Montenegro) if (a) conducted exclusively through the domestic banking system within the Federal Republic of Yugoslavia (Serbia and Montenegro) in local currency (dinars), or (b) conducted using bank notes or barter.

Sec. 3. Except as otherwise provided in regulations, orders, directives, or licenses that may hereafter be issued pursuant to this order, all new investment by United States persons in the territory of the Republic of Serbia, and the approval or other facilitation by United States persons of other persons' new investment in the territory of the Republic of Serbia, are prohibited.

Sec. 4. Any transaction by a United States person that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this order is prohibited.

Sec. 5. For the purposes of this order:

(a) The term "person" means an individual or entity;

(b) The term "entity" means a partnership, association, trust, joint venture, corporation, or other organization;

(c) The term "new investment" means (i) the acquisition of debt or equity interests in, (ii) a commitment or contribution of funds or other assets to, or (iii) a loan or other extension of credit to, a public or private undertaking, entity, or project, including the Government of the Republic of Serbia, other than donations of funds for purely humanitarian purposes to charitable organizations;

(d) The term "United States person" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States (including foreign branches), or any person in the United States;

(e) The term "Government of the Federal Republic of Yugoslavia (Serbia and Montenegro)" means the government of the Federal Republic of Yugoslavia (Serbia and Montenegro), its agencies, instrumentalities, and controlled entities, including all financial institutions and state-owned and socially owned entities organized or located in the Federal Republic of Yugoslavia (Serbia and Montenegro) as of June 9, 1998, any successors to such entities, and their respective subsidiaries and branches, wherever located, and any persons acting or purporting to act for or on behalf of any of the foregoing;

(f) The term "Government of the Republic of Serbia" means the government of the Republic of Serbia, including any subdivisions thereof or local governments therein, its agencies, instrumentalities, and controlled entities, including all financial institutions and state-owned and socially owned entities organized or located in the Republic of Serbia as of June 9, 1998, any successors to such entities, and their respective subsidiaries and branches, wherever located, and any persons acting or purporting to act for or on behalf of any of the foregoing;

(g) The term "Government of the Republic of Montenegro" means the government of the Republic of Montenegro, including any subdivisions thereof or local governments therein, its agencies, instrumentalities, and controlled entities, including all financial institutions and state-owned and socially owned entities organized or located in the Republic of Montenegro as of June 9, 1998, any successors to such entities, and their respective subsidiaries and branches, wherever located, and any persons acting or purporting to act for or on behalf of any of the foregoing.

Sec. 6. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to me by the International Emergency Economic Powers Act, as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government, all agencies of which are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order, including suspension or termination of licenses or other authorizations in effect as of the effective date of this order.

Sec. 7. The Secretary of the Treasury, in consultation with the Secretary of State, shall give special consideration to the circumstances of the Government of the Republic of Montenegro and persons located in and organized under the laws of the Republic of Montenegro in the implementation of this order.

Sec. 8. Nothing contained in this order shall confer any substantive or procedural right or privilege on any person or organization, enforceable against the United States, its agencies or its officers.

Sec. 9. (a) This order is effective at 12:01 a.m. eastern daylight time on June 10, 1998.

(b) This order shall be transmitted to the Congress and published in the Federal Register.

WILLIAM J. CLINTON

THE WHITE HOUSE,  
June 9, 1998.

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## THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release June 11, 1998

### TO THE CONGRESS OF THE UNITED STATES:

In response to the ongoing use of excessive military force in Kosovo by the police and armed forces of the Federal Republic of Yugoslavia (Serbia and Montenegro) and the Republic of Serbia, which has exacerbated ethnic conflict and human suffering and threatens to destabilize other countries in the region, the United States, acting in concert with the European Union, has decided to impose certain economic sanctions. Consistent with decisions taken at the meetings of the Contact Group of countries, consisting of the United States, the United Kingdom, Germany, France, Italy, and Russia, in Birmingham, England, on May 16, 1998, and in Rome on April 29, 1998, the United States will impose a freeze on the assets of the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro), the Republic of Serbia, and the Republic of Montenegro, and a ban on new investment in the Republic of Serbia. It is our intent to exempt the Government of Montenegro from these sanctions wherever possible.

The Contact Group originally agreed in Rome on April 29 to impose these sanctions in response to the increasingly dangerous situation in Kosovo and Belgrade's failure to meet crucial requirements concerning the adoption of a framework for dialogue with the Kosovar Albanian leadership and a stabilization package, as set out in earlier Contact Group meetings in London on March 9, 1998, and in Bonn on March 25, 1998. The G8 Foreign Ministers reaffirmed the need to impose sanctions at their meeting in London on May 8-9, 1998. The Russian Federation did not associate itself with these sanction measures.

At the May 16 meeting in Birmingham, England, the Contact Group welcomed the establishment of a dialogue between Belgrade and the Kosovar Albanian leadership. With the start of this dialogue, those Contact Group countries that had previously agreed to implement economic measures against the Federal Republic of Yugoslavia (Serbia and Montenegro) and the Republic of Serbia agreed that the proposed measure to stop new investment in the Republic of Serbia would not be put into effect and that they would review at their next meeting the implementation of the freeze on funds. However, the use of indiscriminate force by the police and armed forces of the Federal Republic of Yugoslavia (Serbia and Montenegro) and the Republic of Serbia has undermined the basis for dialogue.

The Contact Group has concluded that the current situation in Kosovo is untenable and the risk of an escalating conflict requires immediate action. It has also found that, if unresolved, the conflict threatens to spill over to other parts of the region. The United States attaches high priority to supporting the security interests of the neighboring states and to ensuring security of borders. It is also of particular importance that developments in Kosovo should not disrupt progress in implementing the Dayton peace agreement in Bosnia and Herzegovina. This threat to the peace of the region constitutes an unusual and extraordinary threat to the national security and foreign policy of the United States.

On June 9, 1998, by the authority vested in me as President by the Constitution and laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3 of the United States Code, I declared a national emergency to respond to the unacceptable actions and policies of the Belgrade authorities and issued an Executive order to implement the measures called for by the Contact Group. That order freezes the assets of the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro), the Republic of Serbia, and the Republic of Montenegro that are under U.S. jurisdiction and, in concert with the other Contact Group countries, restricts access of those governments to the international financial system. That order also prohibits new investment by United States persons, or their facilitation of other persons' new investment, in the Republic of Serbia. It is our intent to exempt the Government of the Republic of Montenegro, by means of licenses, from the prohibitions contained in the order wherever possible. That government has been included in the order to ensure effective implementation of sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro), of which the Republic of Montenegro is a constituent part.

The order carries out these measures by:

- blocking all property, and interests in property, of the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro), the Republic of Serbia, and the Republic of Montenegro, including the prohibition of financial transactions with, including trade financing for, those governments; and
- prohibiting new investment by United States persons, or their facilitation of other persons' new investment, in the territory of the Republic of Serbia.

The order provides that the Secretary of the Treasury, in consultation with the Secretary of State, is authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of the order. Thus, in the event of improvements in the actions and policies of Belgrade with respect to the situation in Kosovo, the Secretary of the Treasury, in consultation with the Secretary of State, would have the ability, through the issuance of general or specific licenses, to authorize any or all transactions otherwise prohibited by the order. Also, in implementing the sanctions, we intend to license transactions necessary to conduct the official business of the United States Government and the United Nations. We further intend to issue licenses to allow humanitarian, diplomatic, and journalistic activities to continue.

The declaration of a national emergency made under Executive Order 12808, and expanded in Executive Orders 12810 and 12831, remains in effect and is not affected by the June 9, 1998, order.

**WILLIAM J. CLINTON**

THE WHITE HOUSE,  
June 10, 1998.

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## **THE WHITE HOUSE**

Office of the Press Secretary

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For Immediate Release September 23, 1998

### **STATEMENT BY THE PRESIDENT**

U.N. Security Council Resolution on Kosovo

Today's U.N. Security Council resolution makes absolutely clear that the international community is determined to see an end to the violence and repression in Kosovo. The resolution places responsibility squarely on President Milosevic to take the concrete steps necessary to prevent a major humanitarian disaster and restore peace in the region.

I am particularly encouraged that the resolution, adopted under Chapter VII of the U.N. Charter, makes clear that the deterioration of the situation in Kosovo constitutes a threat to regional peace and security.

The United States and its allies are moving NATO activities from the planning stage to readiness to act. With more than 250,000 Kosovars displaced from their homes and cold weather coming, Milosevic must act immediately to heed the will of the international community.

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## THE WHITE HOUSE

Office of the Press Secretary  
(New York, New York)

For Immediate Release

October 12, 1998

### STATEMENT BY THE PRESIDENT

The New York Hilton and Towers  
New York, New York

**8:50 P.M. EDT**

THE PRESIDENT: Good evening. In recent weeks, faced with a deepening and dangerous crisis in Kosovo, the United States has worked to stop the violence and repression and put the people of Kosovo on the path to peace.

Last month, the United Nations Security Council, through Resolution 1199, demanded that President Milosevic implement a cease-fire, withdraw the forces he has recently sent to Kosovo and garrison the rest, allow refugees to return to their villages, give immediate access to humanitarian relief agencies, and agree to a timetable for autonomy negotiations with the Kosovar Albanians.

President Milosevic has not yet complied with the international community's demands. Given his intransigence, the 16 members of NATO have just voted to give our military commanders the authority to carry out air strikes against Serbia. This is only the second time in NATO's history that it has authorized the use of force -- and the first time in the case of a country brutally repressing its own people.

The international community is now prepared to act. But as I have said from the beginning, we would prefer to resolve this crisis peacefully, rather than through military action. That is why I sent Ambassador Richard Holbrooke on a mission to make it clear to President Milosevic what the world expects him to do to avert the NATO air strikes.

Ambassador Holbrooke has reported to me, and in the past few hours to NATO, that, faced with a solid international front, President Milosevic has made a series of commitments. If fully implemented -- and that is a critical and very big "if" -- these commitments could achieve the international community's objectives as stated in the United Nations resolution.

In light of President Milosevic's pledges, and the independent verification system that will be established, NATO has agreed to delay action for 96 hours.

President Milosevic has agreed first the fully comply with U.N. Security Council Resolution 1199. Second, he has accepted an intrusive international inspection to verify compliance. Third, he has agreed to a timetable for completing interim autonomy arrangements with the Kosovar Albanians.

If these commitments are met, and the international community will be able to see for itself whether they are met, they could provide the basis for peace and progress.

All along our objectives have been clear -- to end the violence in Kosovo which threatens to spill over into neighboring countries and to spark instability in the heart of Europe; to reverse a humanitarian catastrophe in the making as tens of thousands of homeless refugees risk freezing or starving to death in the winter; and to seek a negotiated peace.

But let me be very clear: Commitments are not compliance. Balkan graveyards are filled with President Milosevic's broken promises. In the days ahead we will focus not only on what President Milosevic says, but on what we see that he does through a robust, on the ground and in the air verification system.

I hope that the commitments President Milosevic has made can create a peaceful way forward. That has been our preference all along. But together with our NATO partners, we will determine whether President Milosevic follows words with deeds. And we will remain ready to take military action if Mr. Milosevic fails to make good on his commitments this time.

As we approach the next century we must never forget one of the most indelible lessons of this one we're about to leave -- that America has a direct stake in keeping the peace in Europe before isolated acts of violence turn into large-scale wars. Today, determined diplomacy backed by force is creating the path to peace.

I want to thank Mr. Holbrooke, I want to thank Secretary General Solana and our NATO allies for all the contributions they have made. Now we must and we will do what is necessary to see that that path to peace is followed.

Thank you very much.

**END 8:56 P.M. EDT**

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## THE WHITE HOUSE

Office of the Press Secretary

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For Immediate Release October 21, 1998

### STATEMENT BY THE PRESS SECRETARY

The United States condemns the draconian law on Information passed yesterday by the Serbian parliament. This law establishes massive fines on media outlets for failing to publish information the FRY authorities deem important and for carrying foreign programming. It also requires publishers to forward copies of each issue to the public prosecutor and the Ministry of Information. This repressive law follows a series of hostile actions taken against independent media outlets in the FRY over the past weeks, including the closure of newspapers Danas, Dnevi Telegraf, and Nasa Borba and Radio Index in Belgrade, and Radio Senta in Vojvodina.

The government's actions are clearly designed to intimidate Serbia's independent media and to prevent them from reporting the truth about President Milosevic's campaign of repression in Kosovo. Milosevic is also trying to hide from his own people the substantial concessions he has been forced to make under the threat of NATO air strikes. This includes an unprecedented international presence in Kosovo, that until now he had steadfastly resisted, with 2,000 OSCE verifiers on the ground and NATO surveillance in the air.

The United States is committed to promoting free and open media across the globe, including in the FRY. We are actively supporting the courageous work of civil society and independent media organizations in the FRY who are struggling to keep independent media voices alive. We have expanded Voice of America's Serbian and Albanian broadcasts, and have begun broadcasting medium wave transmissions which can be received on AM radios throughout the FRY. We are also utilizing the Internet to enhance the level of information flowing in and out of the country.

In the Federal Republic of Yugoslavia, independent radio stations and newspapers have provided valuable perspectives to the population of Yugoslavia about issues which strongly affect these citizens' lives. Without independent media voices, the people of FRY will be less able to make the informed decisions that will determine their future.

The Belgrade leadership should immediately halt its repression of independent media. Developing a vibrant civil society with free and independent media will be a crucial step in building the type of civil society which can return the Federal Republic of Yugoslavia to its place among nations. Unfortunately, the current leadership in Belgrade seems determined to keep that country a pariah and to deny its citizens the benefits of democracy and integration into Europe.

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## THE WHITE HOUSE

Office of the Press Secretary

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For Immediate Release December 18, 1998

US-EU Joint Statement on Cooperation in the Western Balkans  
Washington, December 18, 1998

Political, civil, and economic instability in some areas of the Western Balkans threatens peace and prosperity in all southeastern Europe and poses serious challenges across Europe and beyond. During the past six months, we have achieved notable successes and are agreed on further cooperative steps in the Western Balkans.

Our envoys in Kosovo, Ambassadors Chris Hill and Wolfgang Petritsch, are working as a team to conclude successfully negotiations on an interim political settlement for Kosovo. In Kosovo, the U.S. and EU are collaborating to ensure implementation of the October 16 OSCE-FRY Agreement, notably in the OSCE's Kosovo Verification Mission (KVM). We are extremely concerned that recent acts of violence in Kosovo could spiral out of control, and call on all parties to preserve the cease fire and cooperate fully with KVM.

We remain committed to enhancing quickly confidence-building and to supporting civil society in Kosovo. The EU welcomes the U.S. initiative to begin quick impact efforts in Kosovo immediately. The U.S. welcomes the European Union's intention to play the leadership role in organizing the international community's response on reconstruction issues, and pledges its full support. The EU intends to organize an expert-level meeting in January 1999, following the conclusion of the ongoing damage assessment mission. Once a political agreement is in place, further concrete steps on assisting reconstruction and on democratization and civic development will be taken, including convening a donors' conference. We look to the international community to contribute substantially towards the speedy implementation of these endeavors. At present, humanitarian aid should continue, responding to the most urgent needs, in close cooperation between the U.S. and EU and under the coordination of UNHCR, which is the lead agency for humanitarian aid as well as for the return of Internally Displaced Persons (IDPs) and refugees.

We expect the Albanian, as well as the Bosnian, authorities to take primary responsibility for stabilizing their respective countries and leading them towards full democracy and economic development.

In Albania, we worked together to form the Friends of Albania, which the EU co-chairs with the OSCE; we are both making a substantial political and material commitment to stabilization, democratization and economic reform. We have taken note of the new Government's pledges at the Tirana Conference October 30 to move towards those goals. We welcome the adoption of the new Constitution, which is a fundamental first step in that direction. We strongly urge all political parties to cooperate in the democratic process in the interest of the Albanian people.

We have furthered our cooperation in support of Dayton implementation in Bosnia and Herzegovina, and in Croatia. The Bosnian national elections in September further advanced democracy and pluralism in that country. The U.S. and EU continue to provide resources to assist Dayton implementation efforts. We call on the authorities in both Bosnia and Herzegovina and Croatia to consistently support Dayton implementation efforts and contribute to the process of stabilization and national reconciliation, including by supporting the return of refugees and displaced persons to their previous homes as a matter of priority. Job creation, through self-sustaining economic development, will help stabilize the political and social situation and will enhance the return to a multi-ethnic Bosnia and Herzegovina. Economic revitalization is essential for sustainable returns, especially in minority areas.

We call on all in the region to support efforts to establish security and economic stability. Without this support, resolving regional conflicts and advancing democratic, civic, and economic reform is only more difficult. We will use our political and economic resources to support those who support these efforts and, more generally, to advance an agenda of democracy, progress towards self-sustaining free market economies, and normal relations with their neighbors. We condemn steps taken by the government in Belgrade to suppress independent media and political opposition, and express strong support for emerging democracy and political pluralism in Montenegro. A Federal Republic of Yugoslavia that respects the democratic and human rights of its citizens and that upholds its international obligations is essential for regional peace and security and its own integration into Europe.