

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the Clinton Presidential Library Staff.

Folder Title:

Lithuania [2]

Staff Office-Individual:

European Affairs-Norland, Richard

Original OA/ID Number:

2630

Row:

33

Section:

5

Shelf:

10

Position:

1

Stack:

V

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. report	re: Baltics (2 pages) <i>Partial release - KBH 11/20/2023</i>	09/22/2000	P1/b(1)
002. report	re: Lithuania: Military (2 pages) <i>Partial release - KBH 11/20/2023</i>	08/25/2000	P1/b(1)

COLLECTION:

Clinton Presidential Records
National Security Council
European Affairs (Richard Norland)
OA/Box Number: 2630

FOLDER TITLE:

Lithuania [2]

2011-1038-F

kh1045

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Norland
NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20504

6166

October 2, 2000

ACTION

MEMORANDUM FOR NSC STAFF

FROM: ROBERT A. BRADTKE *AB*
SUBJECT: Records Preservation

Attached are copies of two memoranda from the Chief of Staff and the Counsel to the President describing the responsibilities of all staff, particularly departing staff, for preserving Presidential records. I urge each of you to review these memoranda carefully. As you review them and prepare your records for archival preservation, please remember the following key points.

- All files in all offices must be prepared for transfer to the Clinton Presidential Library by the end of the Administration. To avoid overwhelming our records management operation in the last few weeks, I urge you to transfer all non-current files to NSC Records Management (6-9221) as soon as possible. Records will be able to provide prompt access to your archived files until January 2001. Records also is prepared to help you with this task by providing inventory forms, boxes, and muscle to move your boxes.
- Most staff maintain convenience files, consisting of CHRON copies of numbered documents plus other documents that they have created or received. These files should be reviewed, labeled, boxed, and delivered to Records Management at the time a staff member departs, but no later than January 2000. They will be deposited in the Clinton Presidential Library to document your contribution as a member of the President's staff. General public access to these records will be restricted for at least five years under provisions of the Presidential Records Act.
- In preparing individual and office convenience files for transfer to Records Management, please observe the following guidelines:
 - Accurate labeling of each folder and box is essential for reliable retrieval of these records by you or subsequent

researchers. Required inventory forms are available in Records Management.

- Convenience files should not contain any original numbered records or serial-numbered intelligence documents. These should be sent separately to Records Management for disposition.
- Any outstanding special access items should be sealed in an "EYES ONLY" envelope and delivered to John Ficklin for appropriate disposition.
- The only documents that may be removed from the complex by a departing staff member are those that satisfy the legal definition of personal records and that are not security-classified. For further guidance on identifying personal records, consult the memorandum from the Counsel to the President. However, such personal records may be removed only after review and authorization by John Ficklin or a member of his staff.
- If you have questions about any of these matters, please contact Bill Leary (6-9202) or the Legal office (6-9111). For guidance or help with retiring files to Records Management, please contact Vicki Darnes or John Ficklin at 6-9221.

Attachment

Tab A Preservation of Presidential Records

THE WHITE HOUSE
WASHINGTON

**MEMORANDUM TO THE STAFF OF THE WHITE HOUSE OFFICE, THE
OFFICE OF THE VICE PRESIDENT, THE NATIONAL SECURITY
COUNCIL, THE OFFICE OF POLICY DEVELOPMENT, THE COUNCIL OF
ECONOMIC ADVISERS, AND THE PRESIDENT'S FOREIGN
INTELLIGENCE ADVISORY BOARD**

FROM: JOHN PODESTA, CHIEF OF STAFF 
RE: PRESERVATION OF STAFF RECORDS
DATE: SEPTEMBER 14, 2000

As we are now in the last year of the Clinton Administration, this is a good time for all staff in the Executive Office of the President to review the laws governing the disposition of their files as they continue to archive all appropriate material. Archiving the files that have been created during this Administration is an extremely important task. Staff files and donated personal records will be the nucleus of the Clinton Presidential Library. These records will be critically important to scholars and historians for many years to come.

The attached memorandum describes White House policy for departing staff regarding the appropriate treatment of your files. Listed below are some of the principal points for staff in the above-listed offices to bear in mind as you archive your files.

- The Presidential Records Act requires the preservation of Presidential records. Almost all work-related material created or received by personnel in the above offices will be a Presidential record. Do not discard Presidential records, although you do not have to preserve identical copies.
- Vice Presidential records should be treated in the same manner as Presidential records, although they are maintained separately.
- You may take copies of Presidential records when you leave only when all of the following conditions are met: The document must be a copy, not an original.

- It must not be classified, and it must not contain confidential communications to or from the President or his senior advisors, material from personnel files and personal information the disclosure of which might constitute an unwarranted invasion of personal privacy, trade secrets, law enforcement information, or any other information the disclosure of which is prohibited by law. Each staff member who wishes to remove any copies of Presidential records must sign the agreement attached to this memorandum as Appendix B.
- You do not need to preserve work-related but "non-record" material, such as certain notes for your own use and drafts not circulated to others. You may take such material with you when you leave, but only subject to the conditions given above.
- Personal records should be filed separately from Presidential records. Materials relating to a political campaign generally are personal records. You may take personal records with you, or discard them, when you leave. However, consider donating to the Archives any personal records that will create a fuller record of the accomplishments of the Clinton Administration for future historians.
- Continue to send Presidential records not needed for ongoing business to Records Management. Print out or copy to a diskette any Presidential records that exist only in your computer for inclusion with your records (do not include Lotus Notes email unless you have been instructed otherwise).
- Do not discard any of your files that you know are covered by subpoenas or document requests.

Each office within the White House Office has one or more Transition Coordinators who will be trained to assist you in the appropriate indexing and disposition of your files. A list of the WHO Transition Coordinators is attached to this memorandum. Staff in other EOP offices may call the Office of Records Management, counsel within their office, White House counsel at 6-7909, or counsel in the Office of the Vice-President at 6-7022, with any specific questions.

THE WHITE HOUSE
WASHINGTON

MEMORANDUM TO THE STAFF OF THE WHITE HOUSE OFFICE, THE OFFICE OF THE VICE PRESIDENT, THE NATIONAL SECURITY COUNCIL, THE OFFICE OF POLICY DEVELOPMENT, THE COUNCIL OF ECONOMIC ADVISERS, AND THE PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD.

FROM: BETH NOLAN, COUNSEL TO THE PRESIDENT *Bn*

DATE: SEPTEMBER 14, 2000

SUBJECT: PRESERVATION OF PRESIDENTIAL RECORDS

This memorandum describes your obligations under the Presidential Records Act ("PRA") and how to prepare your records for delivery to the White House Office of Records Management prior to your departure. Staff records have been vital as we have worked to achieve the goals of the Clinton Administration, and they will continue to play a crucial role in the Clinton Library by documenting our achievements for future scholars and historians. Vice Presidential records are similarly important and will also be preserved in a Library.

The Presidential Records Act

The Presidential Records Act ("PRA") governs the ownership, maintenance and disposition of Presidential records. 44 U.S.C. 2201 *et seq.* The requirements of the PRA apply to all records of personnel in the White House Office, including the White House Military Office, the Office of the Vice President, the Office of Policy Development, the Council of Economic Advisors, the President's Foreign Intelligence Advisory Board, and the National Security Council.¹ Under the PRA, records of the Office of the Vice President are Vice Presidential records and are subject to the provisions of the PRA in the same manner as Presidential records. Both Presidential and Vice Presidential records are collectively referred to as "Presidential records" in this memorandum.

Presidential records are the property of the United States. They should be filed separately from personal records or non-record material. Presidential records must not be discarded. They must be preserved and sent to the Office of Records Management, which will maintain them for the duration of the Administration. Those offices that have an agreement to send their Presidential records directly to the National Archives and Records Administration ("NARA"), should continue that practice.

¹ The requirements of another statute, the Federal Records Act, apply to all records of personnel in the Council on Environmental Quality, the Office of Administration, the Office of Management and Budget, the Office of National Drug Control Policy, the Office of Science and Technology Policy, and the United States Trade Representative.

I: Records Covered by the Presidential Records Act

Presidential records are defined in the Act as "documentary materials regardless of physical form that are created or received by the President, his immediate staff, or a unit or individual of the Executive Office of the President, whose function is to advise and assist the President, in the course of conducting activities which relate to or have an effect upon the carrying out of the constitutional, statutory or other ceremonial or official duties of the President." Documentary materials refers collectively to all media on which information is recorded, regardless of the nature of the medium or the method or circumstances of recording. The term includes but is not limited to correspondence, memoranda, documents, papers, pamphlets, electronic word processing files and emails, models, pictures, films, and audio and electronic recordings. All Presidential records must be preserved. You do not have to preserve identical copies. Documents -- even drafts -- circulated to others in the course of conducting activities that relate to Presidential duties are almost always Presidential records.

Electronic Presidential records/databases. If you have Presidential records that exist only in your computer, print them out or copy them to a clearly labeled diskette, so they can be filed with your other Presidential records. Do not print out emails in the standard Lotus Notes application, as they are being archived automatically. If you created an electronic database containing Presidential record information, or are the staff member responsible for maintaining such a database, promptly contact the Transition Coordinator for your office, or the Office of Records Management so that they and the OA Office of Information Services and Technology ("IS&T") can include this database along with the appropriate technical information in the material transferred to NARA.

Restrictions on material that may be taken by staff on their departure. Staff members will be permitted to take with them extra copies of Presidential records created or received by the staff member that had previously been made for the staff member's convenience. No original records may be taken. Further, no document may be taken if it contains the following:

- classified information;
- confidential communications to or from the President or his senior advisers;
- law enforcement information;
- information in personnel files or similar files, and any other personal information the disclosure of which might constitute an unwarranted invasion of personal privacy;
- trade secrets or sensitive commercial or financial information; or
- any other information the disclosure of which is prohibited by law.

All other copies of Presidential records must be sent to the Office of Records Management for eventual deposit in the President's Library.

To ensure compliance with this policy, each departing staff member who wishes to remove any copies of Presidential records must sign the agreement attached to this memorandum as Appendix B as part of the official checkout procedures. The agreement obligates the staff member to comply with the policy outlined above, and to refrain from disclosing the contents of any Presidential records to third parties without the President's consent. The agreement is

designed to protect the integrity of White House decision-making processes and to preserve the President's ability under the Constitution and the PRA to control the distribution of these kinds of records.

If you have an unusual circumstance you would like to raise regarding the copy of a particular Presidential record, call the White House Counsel's office at 6-7909.

II. Records in the Office of the Vice President

The PRA expressly provides that records of the Office of the Vice President are Vice Presidential records and subject to the provisions of the PRA in the same manner as Presidential records, although they are maintained separately. Thus, materials created or received in the Office of the Vice President should be treated in accordance with the guidance given in this memorandum. Personnel in the Office of the Vice President should consult with Ferné Mosley at 6-7022 for additional guidance regarding the filing and disposition of Vice Presidential records.

III. Other Types of Records

You may have other types of documentary materials in your files that are not subject to the preservation requirements of the PRA, as discussed below. These types of materials should be filed separately from your Presidential records.

1. Non-records. The PRA does not require you to preserve non-record materials such as the following:

- preliminary drafts of correspondence, memoranda or reports, kept for your own use and not circulated to others;
- work sheets and informal notes that contain information reflected in final documents and that do not document policy development or execution;
- copies of the 'clips' or other clippings or news summaries so long as they have not been annotated, organized or arranged for an official purpose;
- catalogs, trade journals and other publications received from other government agencies, or private firms and institutions and that are maintained for reference purposes;
- extra copies of documents produced only for convenience, when those copies are clearly so identified.

All of your documents should be reviewed carefully, however, because documents in the categories listed above may nonetheless constitute Presidential records. Particularly in the White House, drafts, working papers and other similar materials often document policy development, significant decisions or other matters related to the execution of Presidential duties. If there is any reasonable doubt, treat the material as a Presidential record. If the material is clearly of nonrecord status, you may discard it.

Administrative material, such as telephone directories, organizational charts and press releases, may not be Presidential records, but may nonetheless be of great utility to presidential scholars many years hence. We recommend preserving such material.

You may take non-record material when you depart, but only under the same conditions that are prescribed above for Presidential records. If you have a question regarding a particular document, call the White House Counsel's office at 6-7909.

2. **Personal records.** The category of "personal records" includes private papers, such as material accumulated before entering government service, personal photographs, insurance claim forms, purely personal correspondence, and personal diaries or journals that staff members sometimes keep in their offices. It also includes certain kinds of political materials, i.e., those relating exclusively to (a) the President's own election as President, (b) the Vice President's campaign for the presidency, (c) the election of a particular individual or individuals to Federal, State, or local office, or (d) private political associations. To be considered "personal," however, these materials must have no relation to or direct effect upon the execution of the President's official or ceremonial duties. Personal and political material should be filed separately from your Presidential records. You may remove personal records on your departure or donate them to NARA for the Clinton Library or the Vice President's library.

Donation of personal records to Clinton Library. If you have personal materials that could assist future scholars in building a comprehensive picture of the achievements of the Clinton Administration, you are most welcome to donate these materials to the Clinton Library, or in appropriate circumstances, to the Vice President's library. Let your office Transition Coordinator or the White House Counsel's office know of your intent and that person will put you in touch with a professional archivist from NARA.

Documents subject to a subpoena or document request. Documents in your possession may be responsive to a request for documents or a subpoena directed to the White House. Do not discard documents if you are aware that they are or have been responsive to a subpoena or document request.

No classified material may be removed from your office at any time, without compliance with the rules applicable to such materials.

The above discussion does not exhaust the universe of possible rules applicable to your files. If you have any questions about the record status or appropriate disposition of any material in your office, please contact Ann Bushmiller of the White House Counsel's Office for advice at 456-7909 or Ferne Mosley in the Office of the Vice President at 6-7022.

IV. Preparation of Presidential Records for Delivery to the Office of Records Management

As staff members continue to prepare your files for transfer to the Office of Records Management or to NARA, you should review your records and ensure that personal material you wish to take with you has been separated from your Presidential records. If you have any

Presidential records that exist only in your computer, reduce them to paper or copy them to a clearly labeled diskette. You do not need to print out emails in the standard Lotus Notes application, as they are being archived automatically. Ask your Transition Coordinator or records management specialist for further advice regarding emails if you are under specific instructions to preserve all of your email records.

You should index your files by preparing a typed inventory of the titles of the file folders. Place a typed copy of this inventory inside each box and provide Records Management with a computer disk of the inventory to all files being sent. Some Presidential records may be particularly sensitive, such as files relating to presidential appointments, which contain personal information. Note on the index that a particular file contains sensitive personal information. Under the PRA restrictions and the Freedom of Information Act ("FOIA") exemptions, as well as in accordance with constitutional and common law privileges, most sensitive Presidential records can be protected from public access for a period of 12 years, and longer in some cases. (Regardless of public availability, all such materials will be available to President Clinton, his designated representatives, and the Vice President, as applicable.)

As mentioned above, you should notify your Transition Coordinator or the Office of Records Management about any electronic databases you created or maintained that contain Presidential record material. Also notify these personnel of any stand-alone PC systems that have been used to generate Presidential records in your files, along with the hardware and software requirements. If you are transferring any electronic records on computer disks, CD-ROM, or tapes please indicate the software that has been used. It is extremely important that you indicate whenever a box of files includes electronic media. This will assist in ensuring that the information created on these systems and diskettes can be permanently preserved and accessed at the Clinton Library.

Consult with your Transition Coordinator or the Office of Records Management if you have additional questions on how to prepare your files for delivery to Records Management.

V. Delivery of Presidential Records to the Office of Records Management.

As part of the official checkout procedures, departing staff members must certify that they have transferred their Presidential records to the Office of Records Management. Upon the completion of the Clinton Administration, NARA will assume legal custody of Clinton Presidential records for eventual deposit at the Clinton Library. Vice Presidential records will be maintained separately in storage with Records Management and NARA prior to their transfer to a library.

To ensure the transfer of Presidential records to NARA in a timely manner at the completion of the Administration, you should, as soon as possible, deliver to the Office of Records Management those Presidential records that are not needed for ongoing business. These records can, of course, be retrieved if they later become needed. Staff members should transfer all of their remaining files to the Office of Records Management as they depart.

WHO TRANSITION COORDINATORS

EOP Office	Transition Coordinator	Backup Coordinator
Advance	Roger Kiley	
AIDS Policy	Cheryl Bauerle	
Cabinet Affairs	Raj Adlakha	Anne Bovaird
Chief of Staff	Carolyn Wu	
Communications	Todd Cohen	
Conference Center	Sheila Smith	
Correspondence	Matt Sonne	
Counsel	Kirstin Pflomm	
Domestic Policy Council	Sarah Lucas	
Environmental Initiatives	Angela Mizeur	
Executive Clerk	Tim Saunders	
First Lady	Eric Woodard	
Intergovernmental Affairs	Scott Beale	Alison Cantu
Interns	Kendee Yamaguchi	
Legislative Affairs	Josh Ackil	
Management & Administration	Kelli McClure	Brooks Scoville
Millennium Council	Jane Englestad	Beth Mohsinger
Military Office	Gerald Suarez	
National Economic Council	David Tseng	Elliott Baer
One America	Adrian Miller	
Oval Office	Betty Currie	
Photography	Marilyn Jacanin	
Political Affairs	Jaimme Collins	
Presidential Personnel	Pete Dagher	
Press	Missy Owens	
Public Liaison	Joe Ratner	
Records Management	Terry Good	Lee Johnson
Scheduling	Shannon Butler	
Special Envoy to the Americas	Sharon Liggett	
Speechwriting	Josh Gottheimer	
Staff Secretary	Carol Cleveland	
Telephone Service	Kathy McKeown	
Travel	Archana Ayyappan	
Visitors	Holly Thoden	
White House Operations	Faye Granger	Edd Olds

APPENDIX A

DEPARTURE AGREEMENT REGARDING COPIES OF PRESIDENTIAL RECORDS

Agreement between President William J. Clinton and _____
(hereinafter "Staff Member"), dated _____.

1. Staff Member understands and acknowledges that "Presidential records" are documentary materials which relate to or have an effect upon the performance of the President's constitutional, statutory, ceremonial and official duties, including but not limited to written documents, models, pictures, films and audio and electronic recordings, and which either originated in or were received by staff within the following components of the Executive Office of the President:

White House Office
Office of the Vice President
National Security Council
Office of Policy Development
Council of Economic Advisers
President's Foreign Intelligence Advisory Board

2. Staff Member hereby requests permission to remove from existing "office convenience" files extra copies of Presidential records created or received by Staff Member, other than those containing:

- (1) classified information;
- (2) confidential communications to or from the President or his senior advisors;
- (3) law enforcement information;
- (4) information in personal files or similar files, and any other personal information the disclosure of which might constitute an unwarranted invasion of personal privacy;
- (5) trade secrets or sensitive commercial or financial information; or
- (6) any other information the disclosure of which is prohibited by law.

3. In consideration of President Clinton's approval to remove extra copies as set forth in paragraph 2, Staff Member accepts the obligation set forth in paragraphs 4, 5, and 6.

APPENDIX B

4. To the extent he or she has not already done so, Staff Member hereby agrees to deliver to the White House Office of Records Management the originals and all copies of any Presidential records in Staff Member's possession or control, other than those extra copies set forth in paragraph 2, or those extra copies which the Staff Member has been authorized to leave behind for the incoming Administration, prior to the termination of Staff Member's employment as a member of the Clinton Administration.

5. Staff Member hereby agrees to seek, and to wait for the receipt of, written approval by President Clinton or his designee before publishing or disclosing to any third person any materials which contain the complete or partial text or content of any non-public Presidential record or copy of such record. President Clinton agrees that his approval shall not be conditioned on reviewing or approving any comment the Staff Member plans to make about such record and shall be limited solely to the publication or disclosure of the complete or partial text or content of such paper.

6. Nothing contained herein limits a Staff Member's right to disclose the complete or partial text or content of Presidential record in response to a valid and enforceable subpoena, provided that, before disclosure, Staff Member gives reasonably prompt notice of the issuance of such a subpoena to President Clinton and to counsel for the incumbent President. If either decides to object on grounds of the President's (or former President's) constitutional or statutory authority to control the release of such material, Staff member agrees to defer disclosing the material subject to the objection until such objection has been withdrawn or judicially resolved.

7. This agreement may be enforced by proceedings for injunction or damages or both.

Date

Name of Departing Staff Member

William J. Clinton

By:

Date

His Authorized Representative



cc: Cornelia

LIETUVOS RESPUBLIKOS AMBASADA
VAŠINGTONASEMBASSY OF THE REPUBLIC OF LITHUANIA
WASHINGTON, D.C.**News Release**

October 4, 2000

Contact: Rolandas Kacinskas

Phone: (202) 234-5860 x 21

Vilnius Forum on Holocaust Era Looted Cultural Assets

Vilnius/Washington, D.C - On the 3 - 5 October, Lithuania hosts the Vilnius International Forum on Holocaust - Era Looted Cultural Assets. The Forum is held under the auspices of the Prime Minister of the Republic of Lithuania, Andrius Kubilius and the Secretary General of the Council of Europe, Walter Swimmer.

For an updated information on the work of the Forum and addresses, made by delegations, look at <http://www.vilniusforum.lt>.

The welcoming speech made by President of Lithuania Valdas Adamkus pointed out the importance of the subject of looted cultural assets in the context of the investigations of Holocaust crimes, and expressed his satisfaction at the choice of Vilnius, a former key European center of Jewish culture, as the venue of the Forum. The President emphasized that the Lithuanian heritage of Jewish culture is a valuable integral part of the Lithuanian cultural heritage. The President expressed a hope that the Forum will encourage practical efforts to identify and systematize cultural assets plundered during the Holocaust. To this end, it is necessary to maintain as active as possible involvement of Lithuania in the international cooperation, as well as to promote public benevolence and support to these processes. "It is important that the people of Lithuania, especially the new generation, perceive the influence of the Jewish culture on the development of the Lithuanian culture. A better knowledge of each other will contribute to the dispelling of ethnic and religious myths, which sometimes hinder closer communication between the Jewish and Lithuanian nations. Today, the Jewish and Lithuanian people, states, especially the youth, have to open their minds once again, rediscover each other", said the President. He expressed a hope that the Forum will be an important step in researching looted cultural assets as well as educating the young generation and the civic society. "This event is a part of a large-scope process which should result in the transformation of cultural and civic environment, return of Jewish artifacts to the halls of museum open to everyone", noted the President.

Delegations from almost 40 countries and 17 non-governmental organisations participate in the Forum, including Lord Russell Johnston, President of the Parliamentary Assembly of the Council of Europe and Stuart E. Eizenstat, Deputy Secretary of U.S. Department of the Treasury.

2622 16TH STREET, NW, WASHINGTON, DC 20009 - PHONE 202/ 234-5860 FAX 202/ 328-0466

E-MAIL: KACINSKAS@LTEMBASSYUS.ORG



Fax Cover Page

To: Richard B. Norland
Company: NSC, European Affairs
Fax Number: 4569150

From: Embassy of Lithuania
Company:
Fax Number: 1-202-3280466

Message:

Dear Sir/Madam:

I thought you might be interested in seeing the following news reports on the Seimas decision regarding Jewish Torahs.

The Embassy appreciates your interest in Lithuania. If you have any questions, please contact the Embassy at 202-234-5860.

Rolandas Kacinskas
Second Secretary
(Press and Political Affairs)

LT AAK Jewish Torahs Handover

Seimas demonstrates goodwill in handover of Jewish religious books

Vilnius, Oct 3 (ELTA) - A bill was passed in Lithuanian Seimas Tuesday to outline a procedure for handover of Jewish Torahs, currently stored in state depositories, to either Jewish communities or societies.

This document demonstrated the goodwill of Lithuania which "realises importance of Torahs for the Jewish religious and cultural tradition".

It reads that upon request of Jewish religious communities or societies the Torahs deposited in National Mazvydas Library may be handed over to their ownership gratuitously. However, Torahs of particular significance for Lithuania's cultural heritage shall not be granted to the Jewish communities based in foreign countries.

The criteria for selection of Torahs subject to handover and a list thereof will be approved by the Cabinet as recommended by the ministry of culture and Jewish community.

The bill on Torahs handover binds the national government to endorse the aforesaid procedure and list by December 15, 2000. END.

LT AAK Jews Torahs Handover Comments

Lithuanian MP views Torah handover as goodwill gesture by Seimas

Vilnius, Oct 3 (ELTA) - Shortly after passage of important bill on handover of Jewish religious Torah scrolls to the Jews communities from state depositories on Tuesday, Chairman of Seimas cultural committee Zibartas Jackunas commented that thus Lithuanian parliament paid "proper homage to these cultural values".

"This means a goodwill gesture of Lithuania made in pursuit of expanding good political and cultural links with the Jewish communities based in Lithuania and worldwide," Jackunas told ELTA.

The bill provides for gratuitous handover of Torahs from National Martynas Mazvydas Library to Jewish religious communities or societies upon their request. However, the Torah scrolls considered as of crucial value for Lithuania's cultural heritage shall not be given to the communities based abroad.

The chairman of cultural committee stated that up to now taking of Torahs from the country had been permitted only in two cases—in exchange for some other cultural value important for Lithuania or in the event the country was bound by international law to give back the values which had been seized and brought here illegally.

"Now the parliament established the third option of handing over Torahs by adopting a bill -- when governmental resolution permits this," Jackunas added.

The Cabinet will have to draft selection criteria and a list of Torahs subject to handover by December 15.

Jackunas also affirmed that Torah scrolls, except for those which had been granted to local synagogues, were stored in Mazvydas Library, all in all 370 scrolls, but number of those which can be used at religious ritual without restoration was put at merely 40. END.

Withdrawal/Redaction Marker

Clinton Library

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OA/Box Number: 2630

FOLDER TITLE:

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2011-1038-F
kh1045

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2016-0384-M [1.43]

KBH 6/23/2023

Baltics: Defense Spending Goals Out of Reach

3.5(c)

Estonia, Latvia, and Lithuania have established ambitious annual defense spending targets with an eye toward NATO's expected enlargement decision in 2002, but none is likely to meet its goal for next year.

3.5(c)

All three have pledged gradual increases in military spending with the shared goal of eventually allocating 2 percent of GDP for defense. Lithuania has established the most ambitious timeline, calling for a 2 percent allocation next year. Estonia has vowed to reach this threshold by 2002; Latvia, by 2003. *None of the trio, however, is on track to meet its self-imposed commitment for next year without artificially boosting defense spending with nonmilitary expenditures.*

3.5(c)

Estonia increased defense spending to 1.5 percent of GDP this year—a 29-percent real increase over last year's level 1.4(c), (b)(1) *—but is unlikely to fulfill its pledge to allocate 1.8 percent next year. (See the chart on the next page.)*

- The draft 2001 budget, if passed intact, nominally would meet Tallinn's target, *but the increase appears spurious*. It proposes allocating \$77 million for defense, but would shift 17 percent of total spending to the Ministry of Defense (MOD) from border guard and rescue units previously funded under the Ministry of Interior,

according to press reports. Funds associated with border guard and rescue units comprised 12 percent of last year's defense budget,

1.4(c), (b)(1), (b)(3)

- *Including interior ministry and border guard spending in defense allocations is allowable under NATO accounting procedures, but only if these forces are subordinated to the military in times of crises. Proposed defense restructuring legislation would subordinate Estonian border guard units to defense district commanders in wartime, but the current chain of command for wartime is unclear.*

- Coalition and opposition politicians, including the chairman of the parliamentary defense committee, chide the MOD for failing to establish a comprehensive plan for spending the additional funds and *could pare the budget in parliament.*

3.5(c)

Latvia met this year's goal of allocating 1.05 percent of GDP for defense—an almost 11 percent real increase over 1999 spending levels—but it is unlikely to spend 1.5 percent next year as planned. Even the government-endorsed 2001 military budget—which would allocate only 1.3 percent of GDP for defense—may be inflated with non-defense spending.

- The Finance Ministry initially proposed including funding for all defense- and security-related projects—including Interior Ministry border con-

1.4(c), 3.5(c), (b)(1), (b)(3)

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struction projects, State Land Service cartography programs, and government information data network services for all ministries—in the 2001 defense budget. Actual defense spending, meanwhile, would receive only a nominal increase. Defense Minister Kristovskis publicly objected, criticizing the Finance Ministry for “attempting to fool NATO with its current budget.”

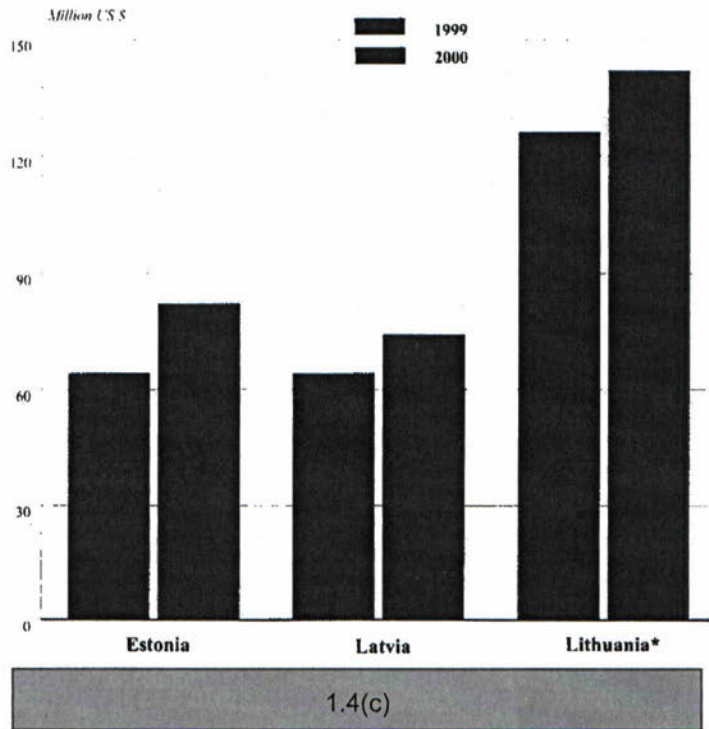
- The ministries subsequently agreed to spend an estimated 1.3 percent of GDP on defense next year, 1.4(c), (b)(1), (b)(3). It remains unclear, however, if the newest draft includes non-military funding. 3.5(c)

Even if the additional security-related expenditures are allowable under NATO accounting rules, neither Estonia nor Latvia will significantly increase its defense capabilities—or boost its interoperability with NATO forces—with the additional allocations.

- 1.4(c), (b)(1), (b)(3) the budget plan for next year, if approved, threatens key investments, including procuring air surveillance radars and an additional search and rescue helicopter and implementing quality-of-life construction projects because the increase in genuine military spending would be minimal. 3.5(c)

The conservative government of Baltic military reform leader Lithuania has made meeting its defense spending targets a priority, but it has fallen short of its goal because of the country's slow re-

Baltic Defense Spending, 1999-2000 (U) 3.5(c)



3.5(c)

bound from the 1998 Russian financial crisis. This year, the government successfully lobbied the legislature to allocate 1.7 percent of GDP on defense, but the military is unlikely to receive more than about 1.3 percent. 1.4(c), (b)(1), (b)(3)

- If a center-left coalition wins the 8 October parliamentary election as expected, it probably will cut defense spending to make room for promised agricultural and social benefits. New Party Union Leader Paulauskas recently told senior NATO officials that his party advocated delaying Lithuania's plan to spend 2 percent of GDP on defense next year. 1.4(c), 3.5(c), (b)(1), (b)(3)

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2016-0384-M [1.44]

KBH 6/23/2023

Lithuania: Military Reform Under Fire

3.5(c)



Kronkaitis: CHOD's vision of military reform questioned.

The conservative government has been an aggressive advocate of building a NATO-compatible military, but financial constraints and growing opposition to its reform agenda threaten to derail military restructuring

3.5(c)

The government repeatedly has linked robust defense spending to Lithuania's chances for NATO membership. It has made meeting its self-imposed defense spending commitments a priority, *but has fallen far short of fulfilling them—in large part because of the economy's slow rebound from the 1998 Russian financial crisis.* Vilnius last year revised its military budget targets, pledging to allocate two percent of GDP for defense by 2002, rather than 2000, as originally planned.

- ❑ Even after the revisions, military units failed to pay their bills and funding shortfalls forced the Ministry of Defense (MOD) to put employees on unpaid leave at year's end.
- ❑ This year, the government ignored an IMF recommendation to freeze defense spending and successfully lobbied for parliament to allocate \$189 million—an estimated 1.7 percent of GDP. The MOD, however, is unlikely to receive more than \$142 million—about 1.3 percent of GDP,

1.4(c), 3.5(c), (b)(1), (b)(3)

The reform program spearheaded by Chief of the General Staff Brig. Gen. Kronkaitis and Vice Min-

ister of Defense Kilikauskas has sparked opposition in the armed forces. Active-duty and retired military officers aligned with center-left political parties have stepped up criticism of centralized training, mandated personnel rotations, and other key aspects of the government's reform agenda

1.4(c), (b)(1), (b)(3)

- ❑ The state-of-the-art Rukla Regiment for centralized training has been a lightning rod for criticism, at least in part because it has taken power away from unit commanders. Moreover, the rank-and-file resent the funds spent on Rukla when some battalions still lack basic equipment,

1.4(c), (b)(1), (b)(3)

- ❑ The push by Kronkaitis to purge Soviet-trained officers—some of whom have valuable expertise—has sapped morale and alienated key commanders and staff officers

1.4(c), (b)(1), (b)(3)

- ❑ Some military officers chide MOD leaders for failing to publish a national military strategy and for not focusing Lithuania's informal defense concept more heavily on territorial defense.

3.5(c)

These military officials criticize the government for staking Lithuania's security on the uncertain prospect of NATO membership and have proposed an alternate military strategy calling for greater reliance on reserve forces within a territorial defense concept.

- ❑ They envision building a 20,000 to 40,000 force of trained reservists while paring the regular army and making it fully professional. Regular units would include at least two combat battalions available for international peacekeeping operations

3.5(c)

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25 August 2000

Given these plans, a center-left coalition—if it wins 8 October parliamentary elections as expected—will likely remove Kronkaitis and Kilikauskas and probably would pay only lip service to its pledge to retain NATO membership as a key priority. Moreover, it probably would cut defense spending to make room for promised agricultural and social benefits—a move that would alienate its current military supporters.

- *The leading opposition party has centered its campaign platform around reducing the defense budget. The public probably would be receptive to paring military spending because of declining popular support for NATO membership and growing skepticism about the size of the defense budget.*

3.5(c)

The Embassy of the Republic of Lithuania
The District of Columbia Jewish Community Center

COMMEMORATIVE CONCERT
FOR THE VICTIMS OF THE HOLOCAUST IN LITHUANIA

PROGRAM

On September 23, Lithuania commemorates the National Day of Mourning for the victims of the Holocaust. On that day in 1943, in Nazi-occupied Lithuania, the Vilnius Ghetto was liquidated.

In remembrance of the tragedy of the Holocaust and the cruel annihilation of the vast majority of the 220,000 strong pre-war Jewish Community of Lithuania, the Embassy of Lithuania, together with the DCJCC, presents mezzo-soprano Judita Leitaite in a special commemorative concert.

Welcome address by Shai Franklin, Co-Chair, National Institute for Jewish Leadership at the District of Columbia Jewish Community Center and Director of Governmental Relations, NCSJ

Address by His Excellency Ambassador Stasys Sakalauskas

Address by Honorable Congressman Tom Lantos

Candle-lighting. Nesse Godin, Survivor of the Siauliai Ghetto and Rabbi Andrew Baker, American Jewish Committee.

Maurice Ravel. "Kaddish d'rabbanan," sung in Hebrew. Judita Leitaite, mezzo-soprano/Gytis Cinauskas, piano.

Gustav Mahler. Cycle of five songs "Kinder-totenlieder," text by Fridrich Ruckert, sung in German. Judita Leitaite, mezzo-soprano/Gytis Cinauskas, piano.

Chaim Grade. "Sanctuaries in Ruin". Reading by Dina Kopilevic, Embassy of Lithuania.

Anatolijus Senderovas. "Two Songs of Shulamith," text from "The Song of Songs", Hebrew version. Judita Leitaite, mezzo-soprano/Gytis Cinauskas, piano.

Maurice Ravel. "The Eternal Enigma," sung in Yiddish. Judita Leitaite, mezzo-soprano/Gytis Cinauskas, piano.

September 27, 2000 at 7:00 p.m. DCJCC, Washington, DC

A shining star, one of Lithuania's most interesting and versatile performers, Judita Leitaite graduated from the Lithuanian Academy of Music with honors in 1984. Ms. Leitaite has toured the United States and Europe and has performed in major concert halls in London, Helsinki, Moscow, St. Petersburg and others. She is frequently invited to perform with many prominent orchestras, and has appeared with the London Symphony Orchestra under the baton of Lord Yehudi Menuhin. Most recently she has performed at the Tenth London International Jewish Music Festival.

Gytis Cinauskas, Professor of the Lithuanian Music Academy, studied in Graz (Austria), Montreal (Canada), Muenchen (Germany), Vienna (Austria) and Paris (France). Performed as pianist in Austria, Italy, Germany, France, Finland, Canada, and other countries.

Anatolijus Senderovas (1945). Laureate of the Lithuanian National Award, graduated from the Lithuanian Music Academy under Professor Eduardas Balsys. Studied in Israel, at Samuel Rubin Israel Academy of Music (1990). Laureate of the International Contests of Composition in Prague (1993), a diploma holder in Kiel (Sweden, 1994). His music was performed at the 12th International Music Festival in Germany, Luxembourg, Great Britain, Poland, Japan and other countries.

Anatolijus Senderovas is a composer of three ballets, three symphonies, a number of symphonic, vocal and chamber pieces of music.

"Two Songs of Shulamith" were composed by Anatolijus Senderovas especially for Judita leitaite.

KINDERTOTENLIEDER. INFANT-DEATH SONGS

Words by Friedrich Rückert.
English words by John Bernhoff.

Gustav Mahler

No. 1

"Once More the Sun Would Gild the Morn!"

Once more the sun would gild the morn,
as though Night's darkness had wrought no ill!
And I all alone must weep and mourn!
The sunbeams with gladness all others' hearts do thrill!
O let not thy heart to grief surrender,
Night but forbodes bright day,
Eternal light's bright splendour!
One tiny lamp went out life's joy,
Life's mirth!
Hail! Hail! To the light that gladdens Earth,
The light that gladdens Earth!

No. 2

"Ah, Now I Know Why Oft I Caught you Gazing"

Ah, now I know why oft I caught you gazing pure childlike sweetest sadness mingling,
Ye bright eyes! Ye bright eyes!
Twin stars in azure splendour blazing,
Each lock loves flames within my bosom kindling.
I knew not then,
Dark mists my sight envailing,
One beam from you, my tearful, fond eyes dazing,
That ye so soon your flight were homeward winging,
To realms above, the source of light, your glances raising.
You fain would tell me by your star-like glowing.
We'd gladly stay with thee, not grieve thee!
Alas 'tis fate decrees and we must leave thee.
Gaze on us now, for soon from hence we're going!
What are now eyes on earth, upon thee gazing:
Will then be stars at night in azure glowing.

No. 3

"When Thy Mother Dear"

When thy mother dear oft times enters here, and I turn to her,
Or I haste to meet her, not on her sad face so I fix my gaze,

First mine eyes seek lower, toward the threshold of the door, there,
Where they in vain would trace thy sweet infant face,
As in times of yore, when father would rejoice, father would rejoice,
To hear his child's sweet voice.
When thy mother dear, oft times enters here, with the light comes near me, then,
Me-thinks, I hear thee, hear thine infant tread, hear thine infant tread,
Footsteps pattering near me!
O thou, life's boon, thy father's treasure, mother's pleasure,
too soon thou light of joy art, fled thou light of joy are fled!

No. 4

"I Think Oft; They've Only Gone on a Journey"

I think oft', they've only gone on a journey,
and soon I shall see them all homeward returning.
The day is bright! O, ne'er dismay!
They only have gone a long, long way!
That's it! They've only gone a journey.
And they will now be homeward returning!
O, ne'er dismay, the day is bright!
They're only on their way to yonder height!
They've only gone a space before us,
And now but to follow their prayers implore us!
We'll follow their flight to yonder height!
To realms of light! The day is bright on yonder height!

No. 5

"In Such a Tempest"

In such a tempest, on such a day,
I ne'er had permitted the children to play!
Now hence they have borne them, have borne them away!
They would not let me forewarn them.
In such a tempest, on such a day, o ne'er had permitted the children to stray.
I feared me, lest ill befall them, now all in vain do I call them.
In such a tempest, on such a day, none had permitted the children to play.
I'd fear me they'd die on the morrow not they've gone, and left me sorrow.
In such a tempest, on such a day, I ne'er had permitted the children to play.
Now hence from their home they've borne them, they would not let me e'en warn them!
In such a tempest, on such a day, in spite of storms,
They sleep and rest as safe as in mother's in mother's arms,
No ills can now betide them, for God's own Hand will guide them,
All safe they rest, as on their mother's breast, as on their mother's breast!

Kaddish d'rabbanan

Reader.- Magnified and sanctified be his great name in the world which he hath created according to his will. May he establish his kingdom during your life and during your days, and during the life of all the house of Israel, even speedily and at a near time, and say ye, Amen.

Honored, magnified and lauded be the name of the Holy One, blessed be he; though he be high above all the blessings and hymns, praises and consolation, which are uttered in the world; and say ye, Amen.

"Kindertotenlieber."

Cycle of five songs, see insert.

Chaim Grade

"Sanctuaries in Ruin"

I wandered through the empty streets of the Vilna ghetto. Day after day I vanished in the labyrinth of connecting courtyards. I got entangled in them; I was caught as if in ancient catacombs, in caves full of prehistoric graves. The sense of bereavement fascinated me, the emptiness took away my speech. The seven narrow little streets hung on me like seven stone chains, but I didn't want to release myself from the chains; I wanted them to cut still deeper in to my body, into my flesh. I felt the dark coagulated mass creeping into my soul from under the closed gates and doors. I felt the broken windows staring through me eyes. That's right, I told myself, I want to become ruin.

It wasn't the first time. I had several times been wandering around, and lost in thought had come to the gate of the ghetto-one step and I would be on the other side. It is evening. It grows dark among the ruins sooner than anywhere else. The night begins here from a mound of junk, like a beggar without a home. From here the darkness creeps down into the town, where people walk about, talk and laugh. Vilna is gradually beginning to live again.

"Two songs of Shulamith",
text from *The Songs of Songs*

Let him kiss me with kisses of his mouth! More delightful is your love than wine! Draw me - we will follow you eagerly! With you we rejoice and exult, we extol your love: I am as dark – but lovely. O daughters of Jerusalem – as the tents of Cedar, as the curtains of Salma. Do not stare at me because I am swarthy, because the sun has burned me. My brothers charged me with the care of the vineyards: my own vineyard I have not cared for. Tell me, you whom my heart loves, where you pasture your flock, where you give them rest a midday, lest I be found wandering after the flocks of you companions. My lover is for me a sachet of myrrh to rest in my bosom. My lover is for me a cluster of henna from the vineyards of En-gaddi.

Ah, you are beautiful, my lover – yes, you are lovely. Our couch, too, is verdant: the beams of our house are cedars, our rafters, cypresses.

I am a flower of Saron, a lily of the valley. My lover belongs to me and I to him. My lover is radiant and ruddy: he stands out among thousands. His head is pure gold: his locks are palm fronds, black as the raven. His eyes are like doves beside running waters, his teeth would seem bathed in milk and are set like jewels. His cheeks are like beds of spice with ripening aromatic herbs. His lips are red blossoms: they drip choice myrrh.

His arms are rods of gold adorned with chrysolites. His body is a work of ivory covered with sapphires. His legs are columns of marble resting on golden bases. His stature is like the trees on Lebanon, imposing as the cedars. His mouth is sweetness itself: he is all delight. Such is my lover. O daughters of Jerusalem.

"The Eternal enigma"

If you ask the world the old question:

Tra la, tra la la...

People will answer: tra la la la...

But people who know will say:

Tra la la la

Ask the world the old question

Tra la la la...



EMBASSY OF THE REPUBLIC OF LITHUANIA
2622 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20009

TEL: /202/ 234-5860

DATE: Sept. 25, 2000

FAX: /202/ 328-0466 ext. 21

FAX NR. _____

ATTENTION: _____

FROM: ROLANDAS KACINSKAS 2nd Secy PAGES: 6 + cover sheet

MESSAGE: THE FOLLOWING IS STATEMENT by PRIME MINISTER
OF LITHUANIA ANDRIUS KUBILIS ON THE COMMEMORATION
OF the NATIONAL DAY OF MOURNING FOR THE VICTIMS OF HOLOCAUST

*Statement by Prime Minister Andrius Kubilius**22 September 2000*

To our country the 23 of September is a painful day as we commemorate the genocide of the Lithuanian Jews. 57 years ago the Vilnius Jewish community, known for its outstandingly rich cultural and historic traditions, was wiped out. In commemorating the day of the Vilnius ghetto destruction, we pay tribute to more than 200 thousand Lithuanian citizens (with no differentiation whatsoever between babies, women and disabled) who because of their nationality only were brutally killed by nazi and local Lithuanian collaborators in Paneriai, Kaunas fortifications, and in the forests near bigger towns across Lithuania. We must honestly look once again into the face of our history and do not turn blind eyes onto bitter facts of our history. We have to find in ourselves strength and courage to face the darkest pages of our history. We have to understand that the massacre of the Lithuanian Jews is more than the destruction of Jews, it is, in the first instance, the tragedy of the whole Lithuania. We have neither civil nor moral right to be blind to what happened then in Lithuania. We have no right to unilaterally treat complicated and in many respects equivocal facts of our history. The history of Lithuania includes pages of fearless fights and heroism as well as inhuman dishonesty. Just one decision of the Seimas is incapable to draw the lines between them. We have to recognise that the deliberations over the uprising of 23 of June and the documents of the Provisional Government was a mistake, a misunderstanding and an example of the irresponsible, simplified approach towards complicated history of Lithuania. Let us leave these issues to the historians, not politicians. Politicians must feel responsible for their actions. We should not build modern, democratic Lithuania on the foundations of the history assessed in a simplified way. Let us not create artificial barriers halting the development of modern Lithuania, let us not make the international community doubt over the strength of the democratic values fostered in Lithuania. The tragedy of the Lithuanian Jews is the tragedy of the entire Lithuania. Let us feel human respect for the pain of the Lithuanian people and international community and let us repent for those Lithuanians who were involved in the holocaust.

From the first days of the independence Lithuania is considerate towards the problems of the Lithuanian Jews: substantial attention is given to the protection of the cultural

heritage of *Litvaks*, monuments and places related to the Jewish history and the holocaust victims are commemorated, the memorials of the massacre places are looked after. With difficulty however, but the issues of historic justice are addressed, those who were involved in killings of the Lithuanian Jews are brought to justice. The nation has to recognise their scoundrels and to search its conscience.

The history of Jews, excruciatingly painful facts in their history are becoming a constituent part of our modern society. We must make every effort that the Lithuanian society would get to know more about the old culture of Lithuanian Jewry, which has always been deeply rooted and inseparable from Lithuanian culture. It goes without saying that our generation no longer has had an opportunity of coming into contact with the colourful peculiarity and uniqueness of Jewish culture in Lithuania. For us books and our recollections are the only way of getting familiar with the originality and intensity of this ancient culture and tolerance prevailing in the Lithuanian-Jewish relations in the pre-war Lithuania. Hence a well-grounded question arises – where from the sporadic manifestations of anti-Semitism come in modern Lithuania which presently has just a tiny part of what earlier was a big Jewish community. I think the information vacuum of 50 years of occupation is the main reason. The decade of independence witnessed a threat that the vacuum might be filled with a wide variety of rantings and ravings of the anti-Semitic fringe. The recently designed Lithuanian Holocaust education programme that received positive coverage abroad was tailored for the removal of the present information vacuum and education of young people and society in the spirit of tolerance for national minorities, primarily for the Jewish community by disclosing the whole truth about the most painful facts in our history.

We must admit, however, that anti-Semitic and xenophobic attitudes still persist in the certain groups of Lithuanian society. To my surprise, even some political forces involved in the election campaign sometimes fail to resist the anti-Semitism temptation. Anti-Semitism and National-Socialism should be regarded as a severe threat to those young states that have recently emerged from the totalitarian regimes, exposing the minds of people to brutal populism. Only the enemies of our society can take an active interest in the spread of these ideologies. I have always condemned any racist or anti-Semitic attitudes and I always will. This is a phenomenon we cannot tolerate by any means. The fight against it is a duty and responsibility of all

Fax Cover Page

To: Richard B. Norland
Company: NSC, European Affairs
Fax Number: 4569150

From: Embassy of Lithuania
Company:
Fax Number: 1-202-3280466

Message:

Dear Sir/Madam:

I thought you might be interested in seeing following two news reports from Lithuania on the commemoration of the Jewish Genocide Day and Prime Minister Kubilius' statement.

If you have any questions or need clarification, do not hesitate to contact me at 202.234.5860 ext. 21.

Sincerely,

Rolandas Kacinskas
Second Secretary
(Press & Political Affairs)

TOP STATE OFFICIALS PRESENT AT JEWISH HOMAGE CEREMONY

Vilnius, Sept 22 (ELTA) - President Valdas Adamkus, in his address for those who gathered at Jewish Holocaust commemoration ceremony at Paneriai memorial near Vilnius Friday, said that all "Lithuanian population belonged to the same state, community and family".

The ceremony was held traditionally on the eve of Jewish Genocide Day, September 23, in Paneriai where gathered top state officials, Jewish community and former prisoners of Vilnius ghetto paid homage to 70,000 Jews killed in this site 57 years ago.

Lithuanian president was quoted as saying that this marking of Jewish Genocide Day was proof of population's commitment to learn from mistakes and seek openness.

"We cannot allow that our communication be pressed and distorted by silenced crimes or unspoken wrongs..." Adamkus said.

The country leader said that a 600-year tradition of Lithuanian-Jewish coexistence was ruptured half a century ago.

"At the turn of century, with Lithuania becoming a state again and building its economy, culture and army, the efforts of Jewish community formed an important part of this process. Can we refer to historical injustice as the only explanation for seeing 25 years later the founders of Lithuanian state, their children and compatriots in ghettos?"

Adamkus stressed that Lithuania must be built as an open society and mature democratic state in which people of different cultures and traditions would be always united by mutual sympathy and understanding.

Prime Minister Andrius Kubilius voiced figures showing that over 200,000 Jews had been killed by Nazis and local collaborators in different sites of Lithuania.

The ceremony included Charge D'Affaires of Israeli embassy for three Baltic state Ronit Ben Dor, MP Emanuelis Zingeris, and leader of Jewish community Simonas Alperovicius.

Its program encompassed lining of guard of honour, singing of Vilnius ghetto's hymn "Never Say" and a prayer in Hebrew language in honour of Holocaust victims.

PREMIER KUBILIUS CALLS FOR REPENTANCE OVER JEWISH HOLOCAUST

Vilnius, Sept 22 (ELTA) - On the eve of Jewish Genocide Day which is marked by Lithuania on September 23, Premier Andrius Kubilius released a statement in which he admitted that recent parliamentary debates on the scandalous documents of 1941 provisional government, suspected of collaboration with Nazis, was a mistake.

Nonetheless, the government leader urged the people to repent for those Lithuanians who "had made their contribution to Holocaust" and referred to the upcoming Jewish Genocide Day which would mark a mournful 57th anniversary of destroying Vilnius Jewish community which had cherished particularly nice cultural and historical traditions.

"We must look openly into our history once more and should not turn a blind eye to painful facts of our history. We must find strength and courage in ourselves to cast a glance at the dark pages of our history. Our duty is also to realise that destruction of Lithuania's Jews did not mean tragedy only for Jews but primarily that for all Lithuania. We cannot and hold no civil or moral right to ignore what had happened in Lithuania," he said.

As to the recent scandal over recognition of 1941 government's declaration, which triggered a shower of protest letters from Jewish organisations, the prime minister stressed responsibility of Lithuanian politicians for their actions. Nevertheless, he also called on to hold back from putting artificial obstacles for the evolution of modern Lithuania and causing doubts to the international community over the firmness of democratic values in Lithuania.

"Since restoration of its independence, Lithuania has attended to the problems of Jewish community... The issues of historical justice are also tackled, although this process appeared to be not easy, with those who had finger in the destruction of Lithuanian nationals Jews being brought to justice," the premier added.

Moreover, Kubilius acknowledged that manifestations of Anti-Semitism and xenophobia still existed among certain groups of Lithuanian society -- even some parties running in polls did not manage to resist the temptation of anti-Semitism.

In his address citing the sore historical date, the premier heartened population to show human respect "to the pain of both Lithuanian people and international community".



LIETUVOS RESPUBLIKOS AMBASADA
VAŠINGTONAS

EMBASSY OF THE REPUBLIC OF LITHUANIA
WASHINGTON, D.C.

September 21, 2000

Mr. Richard Norland
Director, Central and Eastern European Affairs
NSC, Old Executive Office Building
17th & Pennsylvania Ave., NW Rm 368
Washington, DC 20501

Sick:

Dear Mr. Norland:

I wanted to let you know of overwhelmingly negative reaction in Lithuania to the bill of September 12, 2000 expressed by the President, political parties, NGO's, public figures, media, and even the Parliament once the implications of what they have voted on were understood.

As you know, an action was taken on September 19, 2000 to effectively kill the bill.

I thought it might be helpful if I explain what has happened in a little more detailed way.

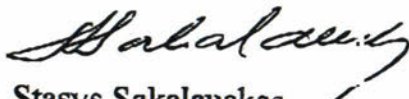
On September 19, 2000 the Parliament of Lithuania by a vote 49 to 1 suspended the enforcement of the bill passed the previous week, which would have legalized the declaration on the restoration of Lithuania's Independence made by the Lithuanian provisional government on June 23, 1941.

This action was taken in order to stop the parliamentary process of the bill during its legislative phase, as the Lithuanian Constitution does not provide for a repeated vote on an already adopted bill. Accordingly, the previously passed bill was not signed by the Chairman of Parliament, and it was not sent to the President, as the legislative procedure had not been completed. The Chairman of Parliament Vytautas Landsbergis stated today that "This law does not exist. It has not come into force and will not come into force".

I want to assure you that Lithuania continually tries to educate and maintain the Lithuanian society's awareness of the tragic legacy of the Nazi occupation. Lithuania is firm in fighting any historical injustice that could insult the remembrance of the victims of the Holocaust in Lithuania.

Please find attached a copy of Chairman Landsbergis' letter and its translation.

Sincerely yours,


Stasys Sakalauskas
Ambassador



**LIETUVOS RESPUBLIKOS SEIMO
PIRMININKAS**

**CHAIRMAN OF THE SEIMAS
OF THE REPUBLIC OF LITHUANIA**

**Ponui Stasiui Sakalauskui
Lietuvos Respublikos Ambasadoriui
Jungtinėse Amerikos Valstijose**

Vilnius, 2000 m. rugsejo 20 d.

Pone Ambasadoriau,

Siunčiu Jums paaiškinimą - pareiškimą dėl įstatymo apie 1941 m. birželio 23 d. paskelbtą Lietuvos nepriklausomybės deklaraciją.

Vakar, rugsejo 19 d., Lietuvos Seimas balsavimu sustabdė šį įstatymą, kuris nebuvo mano pasirašytas ir perduotas Respublikos Prezidentui promulguoti, taigi jo procedūra nebuvo baigta. Šio įstatymo nėra. Jis nepriimtas ir nebus priimtas.

Sutinku, kad šį paaiškinimą - pareiškimą perduotumėt visiems susirūpinusiems.

Vytautas Landsbergis

Lietuvos Respublikos Seimo Pirmininkas

/Translation/

Chairman of the Parliament
Of the Republic of Lithuania

Mr. Stasys Sakalauskas
Ambassador to the United States of America

September 20, 2000
Vilnius

Mr. Ambassador,

This is my explanatory note and statement on the bill "On {the Recognition of} the Declaration of the Restoration of Lithuanian Independence of June 23, 1941 {as a Legal Act of the Republic of Lithuania}".

Yesterday, September 19, Parliament of the Republic of Lithuania voted and suspended this bill that was not signed by me and was not passed to the President for promulgation, therefore legislative procedure has not been completed. This law does not exist. It has not come into force and will not come into force.

You have my consent to pass this explanatory note and statement to everybody who is concerned about it.

/Signature/

Vytautas Landsbergis,
Chairman of the Parliament of the Republic of Lithuania

Fax Cover Page

To: Richard B. Norland
Company: NSC, European Affairs
Fax Number: 4569150

From: Embassy of Lithuania
Company:
Fax Number: 1-202-3280466

Message:

Dear Sir:

I would like to forward to your attention today's news release on a suspension of the resolution on the recognition of the statement "Declaration on the Restoration of Lithuania's Independence" made by Lithuanian provisional government on 23rd June 1941 making it a legal act of the Republic of Lithuania.

Sincerely,

Rolandas Kacinskas
Second Secretary
(Press and Political Affairs)
202.234.5860 ext. 21

~~11/19~~ 9/19
Starys confirms
bill is dead.

Lithuania suspends controversial law on Nazi occupation government

VILNIUS, Sept 19 (AFP) - The Lithuanian parliament Tuesday suspended a controversial resolution recognizing the Lithuanian government under Nazi occupation, the parliament's information department reported.

The adoption last week of the resolution, which restored the legitimacy of the temporary Lithuanian government formed on June 23, 1941, when Nazi forces repelled Soviet troops, had been harshly criticized by the local Jewish community, historians and public organisations.

Lawmakers Tuesday voted 49 to one with two abstentions to suspend the resolution, which had not yet entered into force as it had not been signed by President Valdas Adamkus.

Pro-government lawmakers who adopted the resolution had ignored the views of the national Center for Research of Genocide and Resistance, which said that the temporary Lithuanian government was associated with the creation of concentration camps, had encouraged anti-Semitism and was indifferent to the massacre of Jews.

More than 90 percent of Lithuania's 220,000-strong pre-war Jewish community were killed during the Holocaust.

rac/rl/ccr



Embassy of the Republic of Lithuania

NR 2432

2622 Sixteenth Street, NW

Washington, DC 20009-4202

FAX

Date: 2000 09 06

No. of pages including cover sheet: 1+3+1+1

To:

Mr. Richard B. Norland
 Director, European Affairs
 National Security Council
 Washington, D.C.

Phone: 456-9157

Fax Phone: 456-9150

CC:

From:

Dina Kopscutis
 3rd Secretary
 Embassy of Lithuania

Phone: 202-234-5860

Fax Phone: 202-328-0466

Email: admin@ltembassyus.org

Internet Site:

<http://www.admin@ltembassyus.org>

- ☐ Thank you for your message / letter / fax / communication.
- ☐ Thank you for your assistance.
- ☐ Referring to your message / letter / fax / communication.
- ☐ Thank you for your information.
- ☐ As per our conversation.
- ☐ As per your request.
- ☐ As agreed earlier.
- ☐ Your response is kindly requested.
- ☐ Your viewpoint would be appreciated.
- ☐ Your requested information unfortunately is not available.
- ☐ Your request was registered. The information / material will be sent to you.
- ☐ Please contact our office.

Other: Ambassador Sakalauskas asked to forward you information on Vilnius Forum on Holocaust & Looted Cultural Assets.

The Embassy greatly appreciates your interest in Lithuania. If more information or clarification is needed, please feel free to contact us.

Sounds like
a job for
J.D. Bindenagel

CM



① Camera - Fyi
② return RV, pls.

LIETUVOS RESPUBLIKOS AMBASADA
VAŠINGTONAS

EMBASSY OF THE REPUBLIC OF LITHUANIA
WASHINGTON, D.C.

**THE VILNIUS INTERNATIONAL FORUM ON HOLOCAUST-ERA LOOTED
CULTURAL ASSETS WILL BE HELD IN VILNIUS, LITHUANIA**

2000 08 21

The Vilnius International Forum on Holocaust-Era Looted Cultural Assets will be held October 3-5, 2000 in Vilnius, Lithuania under the auspices of His Excellency Andrius Kubilius, the Prime Minister of the Republic of Lithuania, and His Excellency Walter Schwimmer, the Secretary General of the Council of Europe.

The Vilnius International Forum will build on the work of the 1997 London Conference on Nazi Gold, the 1998 Washington Conference on Holocaust-Era Assets, and the more recent Stockholm International Forum on the Holocaust. It will specifically concentrate on cultural assets and will implement Resolution No. 1205 (1999) of the Parliamentary Assembly of the Council of Europe, which called for a European conference to discuss the return of looted cultural property. It will review and discuss challenges in the implementation of the Washington Conference Principles on Nazi-Confiscated Art. The member states of the Council of Europe, Israel, the United States, Canada, South African Republic, Vatican, Australia and Argentina have been invited to send delegations to the Forum. High-ranking US delegation is expected to attend the Forum.

The Vilnius International Forum seeks to further the creation of a central registry of cultural assets looted during the Holocaust; to examine positive measures to deal with legal, historical, and restitution issues; and to establish legislative guidelines.

In addition to plenary sessions, workshops will be held on the following topics:

- Access to Archives Concerning Holocaust-Era Looted Cultural Property
- Clarification of the Holocaust-Era Provenance of Museum Collections
- Private Ownership and the Art Trade in Regard to Holocaust-Era Looted Cultural Assets
- Looted Holocaust-Era Judaica, Libraries, and Archives

Mr. Emanuelis Zingeris, MP, 1st vice-chairman of the Committee on Culture and Education of the Parliamentary Assembly of the Council of Europe is a chairman of the Organizing Committee of the Forum.

The Vilnius International Forum will be held at the Le Meridien Vilnius Villon Hotel and Conference Center. More information about the Forum may be found at <http://www.vilniusforum.lt> on the internet.

***International Forum on Holocaust Era Looted Cultural Assets
Vilnius, 3-5 October, 2000***

TERMS OF REFERENCE

The Vilnius International Forum on Holocaust-Era Looted Cultural Assets will be held October 3-5, 2000 in Vilnius, Lithuania under the auspices of His Excellency Andrius Kubilius, the Prime Minister of the Republic of Lithuania, and His Excellency Walter Schwimmer, the Secretary General of the Council of Europe. The meeting seeks:

- 1) to provide a forum for discussion of the possibilities of compiling an inventory of cultural assets looted during the Holocaust and of their restitution to their rightful owners;*
- 2) to investigate various possibilities and opportunities open to institutions in this regard; and*
- 3) to establish legislative guidelines for the implementation of such a process.*

The Vilnius International Forum will build on the work of the 1997 London Conference on Nazi Gold, the 1998 Washington Conference on Holocaust-Era Assets, and the more recent Stockholm International Forum on the Holocaust. It will specifically concentrate on cultural assets and will implement Resolution No. 1205 (1999) of the Parliamentary Assembly of the Council of Europe [Emanuelis Zingeris, Rapporteur], which called for a European conference to discuss the return of looted cultural property. It will review and discuss challenges in the implementation of the Washington Conference Principles on Nazi-Confiscated Art. The member states of the Council of Europe, Israel, the United States, Canada, and Argentina as well as Jewish organizations have been invited to send delegations to the Forum. Other governmental and non-governmental organizations throughout the world which are concerned about the facilitation of the return of looted Holocaust-era cultural property to original owners or to the milieu of their origins are also invited.

In an earlier Resolution No. 1283 (1999) on Yiddish Culture, the Parliamentary Assembly and Committee of Ministers of the Council of Europe recognized the Jewish contribution to European culture as a whole. Jewish culture, from that in local communities to prominent professional achievements, forms a part of the cultural heritage of the European continent. One of the articles of Resolution No. 1205 (1999) states that restitution of cultural artifacts to original owners or their heirs (individuals, institutions, or communities) can contribute significantly to a reconstitution of the place of Jewish culture in Europe.

Moreover, contemporary Europe, throughout which looted artifacts created by Jewish communities or belonging to individual victims of the Holocaust are scattered and in which the principles and decisions of earlier conferences can be implemented, now

encompasses both the Western states as well as the countries recently liberated from Communism. The effort needs, by its very nature, to be global. The wide dispersal of the cultural assets of Holocaust victims raises numerous problems. Principle XI of the 1998 Washington Conference states: "Nations are encouraged to develop national processes to implement these principles, particularly as they relate to alternative dispute resolution mechanisms for resolving ownership issues."

The identification and restitution of looted cultural assets of Holocaust victims falls under varied specific legal procedures in different countries. Such questions cannot be postponed. Legend and falsification tend to obscure original ownership; original owners are rapidly dwindling in number.

The Vilnius Forum is being convened to discuss legal, historical, archival and museum-related problems related to the search, identification, and restitution of plundered cultural artifacts enabling experts from various countries better to evaluate activities and future undertakings of various disparate databanks and restitution organizations. In addition to plenary sessions, workshops will be held on the following topics:

- Access to Archive: Concerning Holocaust-Era Looted Cultural Property*
- Clarification of the Holocaust-Era Provenance of Museum Collections*
- Private Ownership and the Art Trade in Regard to Holocaust-Era Looted Cultural Assets*
- Looted Holocaust-Era Judaica, Libraries, and Archives*

National delegations and participants of the Vilnius Forum are invited:

- 1) to present information on specific accomplishments in identifying looted cultural artifacts of Holocaust victims and on the current status of efforts to implement their return to their rightful owners and to discuss continuing problems and possible solutions;*
- 2) to share experience in the restoration of "plundered pasts," of the practical effects of legal regulations covering the search, identification, and return of cultural assets of Holocaust victims;*
- 3) to discuss the need for politicians, lawyers, historians, and museum curators in various countries to disseminate information on the cultural assets of Holocaust victims in order to a) facilitate their return to the general cultural context of their provenance and b) to evaluate the activities of member states of the Council of Europe as well as of collectors, auctioneers, and museums in the fulfillment of the recommendations and resolutions adopted by the Council;*
- 4) to discuss the problem of the intellectual property of Holocaust victims, including the possibility of setting up among various countries a unified and widely accessible archival database; and*

- 5) *to formulate a general declaration by participants to be used in establishing a legal framework for the implementation of resolutions of earlier meetings on cultural policy, legislation, museum administration, and archival work, and to invite the member states of the Council of Europe to set up an inter-governmental task force for this purpose.*

The Government of the Republic of Lithuania has appointed Emanuelis Zingeris Chairman of the Organizing Committee of the Forum. Mr. Zingeris is a member of the Parliament of the Republic of Lithuania and First Vice-Chairman of the Committee on Culture and Education of the Parliamentary Assembly of the Council of Europe.

The Vilnius International Forum will be held at the Le Meridien Vilnius Villon Hotel and Conference Center. More information about the Forum may be found at <http://www.vilniusforum.lt> on the internet.

The Organizing Committee Secretariat of the Forum

Latviu g. 70, LT-2600 Vilnius, Lithuania;

Tel. (370) 2 396736, 396808;

Fax (370) 2 396499;

E - mail: vilniusforum@vikas.lt



CHAIRMAN OF THE SEIMAS OF THE REPUBLIC OF LITHUANIA

H. E. Mr Albert Gore, Jr.
Vice President of the U.S.
President of the U.S. Senate

Vilnius, 22 August 2000

Dear Mr Vice President,

You may be informed that on 4-5 October 2000 Vilnius will host The International Forum on Holocaust Era Looted Cultural Assets which will be held under the auspices of the Secretary General of the Council of Europe and the Prime Minister of the Republic of Lithuania, in close cooperation with the United States.

The Vilnius International Forum is organised as a follow-up to the 1998 Washington Conference on Holocaust Era Assets and seeks to induce the implementation of the Eleven principles of Washington Conference and to implement Resolution No. 1205 (1999) of the Parliamentary Assembly of the Council of Europe, which called for an European conference to discuss restitution of looted assets.

Invitations of Prime Minister of the Republic of Lithuania Mr. Andrius Kubilius were sent on 2 June 2000 to Heads of Government of all Member States of the Council of Europe, USA and Israel.

I am well aware of the interest and importance which the United States Senate attaches to the Vilnius Forum and I appreciate your political support. May I say that in this regard it would be very practical and expedient if representatives of the US Senate who will be coming to the Forum were appointed at an early stage and speakers identified. Participation of the US Senate representatives in this important event would be highly appreciated and important.

Your Excellency, please accept the assurance of my highest consideration and best regards,

Vytautas Landsbergis

A handwritten signature in dark ink, appearing to read 'V. Landsbergis', with a long vertical line extending downwards from the bottom of the signature.



LIETUVOS RESPUBLIKOS AMBASADA
VAŠINGTONAS

EMBASSY OF THE REPUBLIC OF LITHUANIA
WASHINGTON, D.C.

LITHUANIA CONSIDERS RESTORING HISTORICAL VILNIUS JEWISH GHETTO

2000 08 09

The Lithuanian Parliament passed on the Resolution to create preconditions for restoring characteristic fragments of the historical Jewish Ghetto in Vilnius Old Town squares on July 24, 2000.

Mr. Emanuel Zingeris, Head of the Human Rights Committee of Lithuanian Parliament, termed the measure an effort to reclaim the special character of Vilnius Old Town, which was called "Jerusalem of Lithuania" since 17th century.

Among other things, the reconstruction of Vilnius' Great Synagogue is envisioned. Vilnius' Great Synagogue was an entire "town" with two inner courtyards developed in a densely filled quarter. Buildings were damaged during the Second World War and completely destroyed in 1955-1957 under the Soviet rule.

The six centuries of Jewish residence in Lithuania have been ones of both blossoming and decline, of pinnacle and destruction. During that time, Lithuanian Jews established an unsurpassed culture, a particular character and a way of life defined as the "Litvak civilization"

Vilnius became the most important center of Jewish spiritual culture in the Grand Duchy of Lithuania. By the end of the 19th and the beginning of the 20th century Vilnius was the source of a Jewish renaissance, new Jewish national thought, a Jewish democratic spirit. Vilnius was famous for its spiritual and cultural treasures: 102 synagogue and prayer houses, libraries and schools, philanthropic, medical, scientific and cultural institutions. There were several noted Jewish publishing and printing houses, including the largest in the world – "Widow and Brothers Romm", which published hundreds of thousands of books annually in Hebrew and Yiddish. Before the Second World War, Jewish students all over the world used textbooks and terminology in Yiddish, which came from Vilnius.

During World War II, under the Nazi occupation, 95% of the 220,000-strong Lithuanian Jewish community was brutally exterminated.

The restoration of Lithuanian Independence in 1990 marked the start of the revival of Jewish Culture in Lithuania, Holocaust Remembrance and Education.

According the Resolution, Lithuanian parliament asks the government to approve the project for restoring characteristic fragments of the historical Jewish Ghetto by December 1, 2000. A bid, seeking international investments necessary for putting the project into effect, will be proposed for the governments as well. According to Mr. Zingeris, restored quarters in Vilnius Old Town with authentic shop signs in the Yiddish language could become a "tourist magnet", lacking nothing the historical Jewish Ghettos in Prague and Venice have to offer.

UNCLASSIFIED
NSC/RMO PROFILE

RECORD ID: 0005160
RECEIVED: 10 AUG 00 06

TO: PRESIDENT

FROM: BERGER
BRAIN, C

DOC DATE: 23 AUG 00
SOURCE REF:

KEYWORDS: LITHUANIA
LEGAL ISSUES
CM

TREATIES
CONGRESSIONAL

PERSONS:

SUBJECT: TRANSMITTAL OF TREATY BTW GOVERNMENT OF US & GOVERNMENT OF LITHUANIA
FOR ENCOURAGEMENT & RECIPROCAL PROTECTION OF INVESTMENT

ACTION: PRESIDENT SGD PER WH EXEC CLERK DUE DATE: 16 AUG 00 STATUS: C

STAFF OFFICER: NORLAND

LOGREF:

FILES: PA NSCP: CODES:

DOCUMENT DISTRIBUTION

FOR ACTION

FOR CONCURRENCE

FOR INFO

EXECSEC

FICKLIN

KASS

NORLAND

NSC CHRON

COMMENTS:

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSGP

CLOSED BY: NSSWL

DOC 3 OF 3

UNCLASSIFIED

UNCLASSIFIED
ACTION DATA SUMMARY REPORT

RECORD ID: 0005160

DOC ACTION OFFICER

001 NORLAND
002 BERGER
002 BRAIN, C
003 PRESIDENT
003

CAO ASSIGNED ACTION REQUIRED

Z 00081006 PREPARE MEMO FOR BERGER
Z 00081612 FWD TO PRESIDENT FOR SIGNATURE
Z 00081714 FOR SIGNATURE
Z 00082313 FOR SIGNATURE
X 00090518 PRESIDENT SGD PER WH EXEC CLERK

UNCLASSIFIED

**NATIONAL SECURITY COUNCIL
THE WHITE HOUSE**

PROOFED BY: OT LOG # 5160
 URGENT NOT PROOFED: _____ SYSTEM RB8 INT ARS
 BYPASSED WW DESK: _____ DOCLOG OT A/O

	SEQUENCE TO	INITIAL/DATE	DISPOSITION
<i>k</i> GIRE	_____	_____	_____
HAAS	_____	_____	_____
POWELL	_____	_____	_____
BASH	<u>1</u>	<u>BD / 8/16</u>	<u>done</u>
BRADTKE	<u>2</u>	<u>see question + return to signature</u>	<u>signature</u>
RUDMAN	_____	_____	_____
KERRICK	_____	_____	_____
BERGER	_____	_____	_____
SITUATION ROOM	_____	_____	_____
WEST WING DESK	<u>3</u>	<u>11/8/17</u>	<u>Dyer</u>
RECORDS MGMT.	<u>4</u>	<u>8/15</u>	<u>8/15</u>
_____	_____	_____	_____

A = ACTION I = INFORMATION D = DISPATCH R = RETAIN N = NO FURTHER ACTION

CC:

COMMENTS:

00 AUG 18 1989

Treaty w/ Lithuania

EXEC SEC OFFICE HAS DISKETTE yes

THE WHITE HOUSE

WASHINGTON

August 23, 2000

President sgd per WH
Executive Clerk dy 9/5ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: SAMUEL BERGER *SB*
CHARLES M. BRAIN *CB*SUBJECT: Transmittal of the Treaty Between the Government
of the United States and the Government of the
Republic of Lithuania for the Encouragement and
Reciprocal Protection of InvestmentPurpose

To ratify a Bilateral Investment Treaty between the United
States and the Republic of Lithuania.

Background

Secretary Albright has forwarded the text of a bilateral
investment treaty between the United States and Lithuania for
your transmission to the Senate, requesting its advice and
consent to ratification.

Attached for your signature at Tab A is your transmittal message
to the Senate, which also forwards the State Department report
on the treaty (Tab B) and the consolidated text of the treaty
(Tab C).

RECOMMENDATION

That you sign the Transmittal Message to the Senate at Tab A.

Attachments

Tab A	Transmittal Message to the Senate
Tab B	Secretary of State Albright's Memo
Tab C	The Original Treaty

cc: Vice President
Chief of Staff

TO THE SENATE OF THE UNITED STATES:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the Government of the United States of America and the Government of the Republic of Lithuania for the Encouragement and Reciprocal Protection of Investment, with Annex and Protocol, signed at Washington on January 14, 1998. I transmit also, for the information of the Senate, the report of the Department of State with respect to this Treaty.

The bilateral investment treaty (BIT) with Lithuania was the third such treaty signed between the United States and a Baltic Region country. The Treaty will protect U.S. investment and assist Lithuania in its efforts to develop its economy by creating conditions more favorable for U.S. private investment and thereby

strengthening the development of its private sector.

The Treaty furthers the objectives of U.S. policy toward international and domestic investment. A specific tenet of U.S. policy, reflected in this Treaty, is that U.S. investment abroad and foreign investment in the United States should receive national treatment. Under this Treaty, the Parties also agree to customary international law standards for expropriation. The Treaty includes detailed provisions regarding the computation and payment of prompt, adequate, and effective compensation for expropriation; free transfer of funds related to investments; freedom of investments from specified performance requirements; fair, equitable and most-favored-nation treatment; and the investor or investment's freedom to choose to

resolve disputes with the host government through international arbitration.

I recommend that the Senate consider this Treaty as soon as possible, and give its advice and consent to ratification of the Treaty at an early date.

THE WHITE HOUSE,

5160

DEPARTMENT OF STATE
WASHINGTON

August 9, 2000

The President:

I have the honor to submit to you the Treaty Between the Government of the United States of America and the Government of the Republic of Lithuania for the Encouragement and Reciprocal Protection of Investment, with Annex and Protocol, signed at Washington on January 14, 1998. I recommend that this Treaty, with Annex and Protocol, be transmitted to the Senate for its advice and consent to ratification.

The bilateral investment treaty (BIT) with Lithuania was the third such treaty signed between the United States and a Baltic Region country. The Treaty is based on the view that an open investment policy contributes to economic growth. This Treaty will assist Lithuania in its efforts to develop its economy by creating conditions more favorable for U.S. private investment and thereby strengthening the development of its private sector. It is U.S. policy, however, to advise potential treaty partners during BIT negotiations that conclusion of such a treaty does not necessarily result in increases in private U.S. investment flows.

To date, 31 BITs are in force for the United States -- with Albania, Argentina, Armenia, Bangladesh, Bulgaria, Cameroon, the Republic of the Congo, the

The President,

The White House.

Democratic Republic of the Congo (formerly Zaire), the Czech Republic, Ecuador, Egypt, Estonia, Georgia, Grenada, Jamaica, Kazakhstan, Kyrgyzstan, Latvia, Moldova, Mongolia, Morocco, Panama, Poland, Romania, Senegal, Slovakia, Sri Lanka, Trinidad & Tobago, Tunisia, Turkey, and Ukraine. In addition to the Treaty with Lithuania, the United States has signed, but not yet brought into force, BITs with Azerbaijan, Bahrain, Belarus, Bolivia, Croatia, El Salvador, Honduras, Jordan, Mozambique, Nicaragua, Russia, and Uzbekistan.

The Office of the United States Trade Representative and the Department of State jointly led this BIT negotiation, with assistance from the Departments of Commerce and Treasury.

THE U.S.-LITHUANIA TREATY

The Treaty with Lithuania is based on the 1992 U.S. prototype BIT and satisfies the U.S. principal objectives in bilateral investment treaty negotiations:

- All forms of U.S. investment in the territory of Lithuania are covered.
- Investments receive the better of national treatment or most-favored-nation (MFN) treatment both while they are being established and thereafter, subject to certain specified exceptions.
- Specified performance requirements may not be imposed upon or enforced against investments.

-- Expropriation is permitted only in accordance with customary international law standards.

-- Parties are obligated to permit the transfer, in a freely usable currency, of all funds related to an investment, subject to exceptions for specified purposes.

-- Investment disputes with the host government may be brought by investors, or by their investments, to binding international arbitration as an alternative to domestic courts.

The U.S.-Lithuania Treaty differs from the 1992 prototype in some respects. It eliminates Article VIII of the 1992 prototype text, which had excluded from the dispute settlement provision of the BIT those disputes arising under the export credit, guarantee or insurance programs of the Export-Import Bank, the Overseas Private Investment Corporation, and other relevant government agencies. Those agencies indicated prior to this negotiation that they saw no need to maintain such a provision.

The U.S.-Lithuania Treaty also differs from the 1992 prototype in that it includes provisions in Article I(1)(f) and (g) and Article II(2) that clarify and extend the requirements of the Treaty with respect to state enterprises, and in Article II(11) that clarify that investors should receive the better of national or MFN treatment with respect to activities associated with their investment.

These elements are further described in the following article-by-article analysis of the provisions of the Treaty:

Title and Preamble

The Title and Preamble state the goals of the Treaty. Foremost is the encouragement and protection of investment. Other goals include economic cooperation on investment issues; stimulation of economic development; maximum effective utilization of economic resources; promotion of respect for internationally-recognized worker rights; and development of bilateral trade and investment relations. While the Preamble does not impose binding obligations, its statement of goals may assist in interpreting the Treaty and in defining the scope of Party-to-Party consultations pursuant to Article V.

Article I (Definitions)

Article I defines terms used throughout the Treaty.

Investment

The Treaty's definition of "investment" is broad, recognizing that investment can take a wide variety of forms. Every kind of investment is specifically incorporated in the definition, which applies to investment in the territory of one Party owned or controlled directly or indirectly by nationals or companies of the other Party. Indirect ownership or control could be through other, intermediate companies or persons, including those of third countries. Control is not specifically defined in the Treaty;

ownership of over 50 percent of the voting stock of a company would normally convey control, but in many cases the requirement could be satisfied by less than that proportion, or by other arrangements.

The Treaty provides an illustrative list of the forms an investment may take. These include both tangible and intangible property; interests in a company or its assets; "a claim to money or a claim to performance having economic value, and associated with an investment"; intellectual property rights; any right conferred by law or contract; and any licenses and permits pursuant to law. The requirement that a "claim to money" be associated with an investment excludes claims arising solely from trade transactions, such as a transaction involving a sale of goods across a border, from being investments covered by the Treaty.

Paragraph 3 makes explicit that any alteration in the form in which an asset is invested or reinvested will not affect its character as an investment. For example, a change in the corporate form of an investment will not deprive it of protection under the Treaty.

Company

The definition of "company" of a Party is broad, covering all types of entities legally constituted or organized under applicable laws and regulations of a Party, and includes a corporation, company, association, partnership, or other organization. The definition explicitly covers not-for-profit entities, as well as entities that are owned or controlled by the state.

The broad nature of the definitions of "investment" and "company" of a Party means that investments can be covered by the Treaty even if ultimate control lies with non-Party nationals. A Party may, however, deny the benefits of the Treaty in certain limited circumstances. Article I(2) preserves the right of each Party to deny the benefits of the Treaty to a company controlled by nationals of a third country with which the denying Party does not have normal economic relations, e.g., a country to which it is applying economic sanctions. For example, at this time the United States does not maintain normal economic relations with, among other countries, Cuba and Libya.

Paragraph 2 also permits each Party to deny the benefits of the Treaty to a company of the other Party if the company is controlled by nationals of any third country and if the company has no substantial business activities in the territory of the other Party. Thus, the United States could deny benefits to a company that is a subsidiary of a shell company organized under the laws of Lithuania if controlled by nationals of a third country. However, this provision would not generally permit the United States to deny benefits to a company of Lithuania that maintains its central administration or principal place of business in the territory of, or has a real and continuous link with, Lithuania.

National

The Treaty defines "national" of a Party as a natural person who is a national of the United States under its laws, or a citizen of Lithuania under its

laws. Under U.S. law, the term "national" is broader than the term "citizen." For example, a native of American Samoa is a national of the United States, but not a citizen.

Return

"Return" is defined as "an amount derived from or associated with an investment." The Treaty provides a non-exclusive list of examples, including: profits; dividends; interest; capital gains; royalty payments; management, technical assistance, or other fees; and returns in kind.

Associated Activities

The Treaty recognizes that the operation of an investment requires protections extending beyond the investment to numerous related activities. The Treaty defines "associated activities" to include an illustrative list of such activities, including: operating a business facility; borrowing money; acquiring, using, and disposing of property; issuing stock; and purchasing foreign exchange for imports. Article II(11) lists additional activities included in the term "associated activities", all of which are covered by the obligation in Article II(1) to provide the better of national or MFN treatment.

State Enterprise and Delegation

"State enterprise" is defined as an enterprise owned, or controlled through ownership interests, by a Party. Purely regulatory control over a company does not qualify it as a state enterprise.

"Delegation" is defined to include a legislative grant and a government order, directive, or other act

that transfers governmental authority to a state enterprise or monopoly or authorizes a state enterprise or monopoly to exercise such authority.

The definitions of "state enterprise" and "delegation" are included to clarify the scope of the obligations of Article II(2)(b), which provides that any governmental authority delegated to a state enterprise by a Party must be exercised in a manner consistent with the Party's obligations under the Treaty.

Article II (Treatment)

Article II contains the Treaty's major obligations with respect to the treatment of investment.

Paragraph 1 generally ensures the better of national or MFN treatment in both the entry and post-entry phases of investment (national and MFN treatment). It thus prohibits, outside of exceptions listed in the Annex, "screening" on the basis of nationality during the investment process, as well as nationality-based post-establishment measures. National treatment means treatment no less favorable than that which a Party accords, in like situations, to investments or associated activities in its territory of its own nationals or companies. MFN treatment means treatment no less favorable than that which a Party accords, in like situations, to investments or associated activities in its territory of nationals or companies of a third country.

Paragraph 1 also states that each Party may adopt or maintain exceptions to the national and MFN

treatment standard with respect to the sectors or matters specified in the Annex. Further restrictive measures are permitted in each such sector or matter but are to be kept to a minimum. (The specific exceptions are discussed in the section entitled "Annex" below.) In the Annex, Parties may take exceptions only to the obligation to provide national and MFN treatment; there are no sectoral exceptions to the rest of the Treaty's obligations. Finally, any future exception adopted under this provision does not apply to investment existing in that sector or matter at the time the exception becomes effective.

Paragraph 2 requires each Party to ensure that any state enterprise that it maintains or establishes acts in a manner that is not inconsistent with the party's obligations under the Treaty wherever the enterprise exercises any regulatory, administrative, or other governmental authority that the Party has delegated to it, such as the power to expropriate, grant licenses, approve commercial transactions, or impose quotas, fees, or other charges. Paragraph 2 also supports competitive equality for investments by requiring that a Party ensure that its state enterprises accord national and MFN treatment in the sale of their goods or services in the Party's territory.

Paragraph 3 sets out a minimum standard of treatment based on standards found in customary international law. The obligations to accord "fair and equitable treatment" and "full protection and security" are explicitly cited. The general reference to international law also implicitly incorporates other

fundamental rules of customary international law regarding the treatment of foreign investment. However, this provision does not incorporate obligations based on other international agreements.

In paragraph 3(b), the Parties agree not to in any way impair by arbitrary or discriminatory measures the management, operation, maintenance, use, enjoyment, acquisition, expansion, or disposal of investments.

In paragraph 3(c), each Party pledges to observe any obligation it may have entered into with regard to investments. Thus, in dispute settlement under Articles VI or VII, a Party would be foreclosed from arguing, on the basis of sovereignty, that it may unilaterally ignore its obligations to such investments.

Paragraph 4 requires each Party to allow, subject to its laws relating to the entry and sojourn of aliens, the entry into its territory of the other Party's nationals for certain purposes related to an investment and involving the commitment of a "substantial amount of capital or other resources." This paragraph serves to render nationals of Lithuania eligible for treaty-investor visas under U.S. immigration law. It also affords similar treatment for U.S. nationals entering Lithuania. The requirement to commit a "substantial amount of capital or other resources" is intended to prevent abuse of treaty-investor status; it parallels the requirements of U.S. immigration law.

Paragraph 5 requires that each Party allow companies that are investments to engage top managerial

personnel of their choice, regardless of nationality. This provision does not require that such personnel be granted entry into a Party's territory. Such persons must independently qualify for an appropriate visa for entry into the territory of the other Party. Nor does this provision create an exception to U.S. equal employment opportunity laws.

Paragraph 6 prohibits either Party from imposing specified performance requirements as a condition for the establishment, expansion, or maintenance of investments. Prohibited performance requirements are those which require or enforce commitments to export goods produced, or which specify that goods or services must be purchased locally, or which impose any other similar requirements. Such performance requirements are major burdens on investors and impair their competitiveness.

Paragraph 7 requires that each Party provide effective means of asserting claims and enforcing rights with respect to investments, investment agreements, and investment authorizations.

Paragraph 8 ensures the transparency of each Party's regulation of investments.

Paragraph 9 recognizes that under the U.S. federal system, States of the United States may, in some instances, treat out-of-State residents and corporations in a different manner than they treat in-State residents and corporations. The Treaty provides that the national treatment commitment, with respect to the States, means treatment no less favorable than that provided by a State to U.S. out-of-State residents and

corporations. Article XI makes clear that the obligations of the Treaty are applicable to all political and administrative subdivisions of the Parties, such as provincial, State, and local governments.

Paragraph 10 limits the Article's MFN obligation by providing that it will not apply to advantages accorded by either Party to nationals or companies of third countries by virtue of a Party's membership in a free trade area or customs union or a future (i.e., after the Treaty was signed) multilateral agreement under the framework of the General Agreement on Tariffs and Trade (GATT).

Paragraph 11 provides an additional illustrative list of "associated activities" entitled to national and MFN treatment under Article II(1).

Article III (Expropriation)

Article III incorporates into the Treaty customary international law standards for expropriation. Article III also includes detailed provisions regarding the computation and payment of prompt, adequate, and effective compensation.

Paragraph 1 describes the obligations of the Parties with respect to expropriation and nationalization of an investment. These obligations apply to both direct expropriation and indirect expropriation through measures "tantamount to expropriation or nationalization" and thus apply to "creeping expropriations" -- a series of measures that

effectively amounts to an expropriation of an investment without taking title.

Paragraph 1 further bars all expropriations or nationalizations except those that are for a public purpose; carried out in a non-discriminatory manner; in accordance with due process of law; in accordance with the general principles of treatment provided in Article II(3); and subject to "prompt, adequate, and effective compensation."

The balance of paragraph 1 more fully describes the meaning of "prompt, adequate, and effective compensation." The guiding principle is that the investor should be made whole.

Paragraph 2 entitles an investor claiming that an expropriation has occurred to prompt judicial or administrative review of the claim in the host Party, including a determination of whether the expropriation and any compensation conform to the principles of international law.

Paragraph 3 entitles investments covered by the Treaty to national and MFN treatment with respect to any measure relating to losses suffered in a Party's territory owing to war or other armed conflict, civil disturbances, or similar events.

Article IV (Transfers)

Article IV protects investors from certain government exchange controls that limit current and capital account transfers, as well as limits on inward transfers such as those imposed by screening authorities.

In paragraph 1, each Party agrees to "permit all transfers related to an investment to be made freely and without delay into and out of its territory." Paragraph 1 also provides a list of transfers that must be allowed. The list is non-exclusive, and is intended to protect flows to both affiliated and non-affiliated entities.

Paragraph 2 provides that transfers are to be made in a "freely usable currency" at the prevailing market rate of exchange on the date of transfer with respect to spot transactions in the currency to be transferred. "Freely usable" is a term used by the International Monetary Fund; at present there are five "freely usable" currencies: the U.S. dollar, Japanese yen, German mark, French franc, and British pound sterling.

Paragraph 3 recognizes that, notwithstanding the obligations of paragraphs 1 and 2, a Party may maintain certain laws or obligations that could affect transfers with respect to investments. It provides that the Parties may require reports of currency transfers and impose income taxes by such means as a withholding tax on dividends. It also recognizes that the Parties may protect the rights of creditors and ensure the satisfaction of judgments in adjudicatory proceedings through the equitable, nondiscriminatory, and good faith application of their laws.

Article V (State-to-State Consultations)

Article V provides for prompt consultation between the Parties, at either Party's request, to resolve any disputes in connection with the Treaty, or to discuss

any matter relating to the interpretation or application of the Treaty.

Article VI (Settlement of Disputes Between One Party and a National or Company of the Other Party)

Article VI sets forth several means by which disputes brought against a Party by an investor (specifically, a national or company of the other Party) may be resolved.

Article VI procedures apply to an "investment dispute," which is any dispute arising out of or relating to an investment agreement, an investment authorization granted by the Party's foreign investment authority, or an alleged breach of rights conferred or created by the Treaty with respect to an investment.

Article VI(2) provides that when a dispute arises the disputants should initially seek to resolve the dispute by consultation and negotiation. In the event that an investment dispute cannot be settled amicably, paragraph 2 gives an investor an exclusive choice among three options to settle the dispute. These three options are: (1) submitting the dispute to the courts or administrative tribunals of the Party that is a party to the dispute; (2) invoking dispute-resolution procedures previously agreed upon by the national or company and the host country government; or (3) invoking the dispute-resolution mechanisms identified in paragraph 3.

Under paragraph 3(a), if the investor has not submitted the dispute to a court or administrative tribunal or invoked a dispute resolution procedure previously agreed upon under the procedures in

paragraph 2, and 6 months have elapsed from the date the dispute arose, the investor may chose to consent to binding arbitration of the investment dispute. The investor may choose among the International Centre for Settlement of Investment Disputes (ICSID) (Convention Arbitration), the Additional Facility of ICSID (if Convention Arbitration is not available), ad hoc arbitration using the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL), or any other arbitral institution or rules agreed upon by both parties to the dispute.

Paragraph 4 constitutes each Party's consent to the submission of investment disputes to binding arbitration in accordance with the choice of the investor from among those permitted under the Treaty.

Paragraph 5 provides that any non-ICSID Convention arbitration shall take place in a country that is a party to the United Nations Convention on the Recognition and Enforcement of Arbitral Awards. This provision facilitates enforcement of arbitral awards.

In addition, in paragraph 6, each Party commits to enforcing arbitral awards rendered pursuant to this Article. The Federal Arbitration Act (9 U.S.C. 1 et seq.) satisfies the requirement for the enforcement of non-ICSID Convention awards in the United States. The Convention on the Settlement of Investment Disputes Act of 1966 (22 U.S.C. 1650-1650a) provides for the enforcement of ICSID Convention awards.

Paragraph 7 ensures that a Party may not assert as a defense, or for any other reason, that the investor involved in the investment dispute has received or will

receive reimbursement for the same damages under an insurance or guarantee contract.

Paragraph 8 is included in the Treaty to ensure that ICSID arbitration will be available for investors making investments in the form of companies created under the laws of the Party with which there is a dispute.

Article VII (Settlement of Disputes Between the Parties)

Article VII provides for binding arbitration of disputes between the United States and Lithuania concerning the interpretation or application of the Treaty that are not resolved through consultations or other diplomatic channels. The article specifies various procedural aspects of such arbitration proceedings, including time periods, selection of arbitrators, and distribution of arbitration costs between the Parties. The article constitutes each Party's prior consent to such arbitration.

Article VIII (Preservation of Rights)

Article VIII clarifies that the Treaty does not derogate from any obligation a Party might have to provide better treatment to the investment than is specified in the Treaty. Thus, the Treaty establishes a floor for the treatment of investments. An investment may be entitled to more favorable treatment through domestic legislation, other international legal obligations, or a specific obligation (e.g., to provide a tax holiday) assumed by a Party with respect to that investment.

Article IX (Measures Not Precluded)

The first paragraph of Article IX reserves the right of a Party to take measures for the maintenance of public order and the fulfillment of its obligations with respect to the maintenance or restoration of international peace or security, as well as those measures it regards as necessary for the protection of its own essential security interests.

The maintenance of public order would include measures taken pursuant to a Party's police powers to ensure public health and safety. International obligations with respect to maintenance or restoration of peace or security would include, for example, obligations arising out of Chapter VII of the United Nations Charter. Measures permitted by the provision on the protection of a Party's essential security interests would include security-related actions taken in time of war or national emergency; actions not arising from a state of war or national emergency must have a clear and direct relationship to the essential security interests of the Party involved. Measures to protect a Party's essential security interests are self-judging in nature, although each Party would expect the provisions to be applied by the other in good faith.

The second paragraph permits a Party to prescribe special formalities in connection with investments, provided that these formalities do not impair the substance of any Treaty rights. Such formalities could include reporting requirements for investments or for transfers of funds, or incorporation requirements.

Article X (Tax Policies)

Article X, excludes tax matters generally from the coverage of the BIT, on the basis that tax matters should be dealt with in bilateral tax treaties.

Paragraph 1 exhorts both countries' to provide fair and equitable treatment to investors with respect to tax policies.

In matters of taxation, paragraph 2 expressly applies the provisions of the Treaty, in particular its dispute settlement provisions, only to tax matters concerning expropriation (Article III), transfers (Article IV), or the observance and enforcement of terms of an investment agreement or authorization under Article VI(1)(a) or (b). Paragraph 2 further provides that the Treaty applies to such tax matters only to the extent that they are not subject to the dispute settlement provisions of a convention for the avoidance of double taxation between the two Parties, or have been raised under such settlement provisions and are not resolved within a reasonable period of time.

Article XI (Application to Political Subdivisions)

Article XI makes clear that the obligations of the Treaty are applicable to all political and administrative subdivisions of the Parties, such as provincial, State, and local governments.

Article XII (Entry into Force, Duration and Termination)

Paragraph 1 stipulates that the Treaty enters into force 30 days after exchange of instruments of ratification. The Treaty remains in force for a period

of 10 years and continues in force thereafter unless terminated by either Party as provided in paragraph 2. Paragraph 2 permits a Party to terminate the Treaty at the end of the initial 10 year period, or at any later time, by giving 1 year's written notice to the other Party. Paragraph 1 also provides that the Treaty applies to investments existing at the time of entry into force as well as to those established or acquired thereafter. The Protocol to the Treaty confirms the Parties' mutual understanding that the provisions of the Treaty do not bind either Party in relation to any act or fact which took place before the Treaty came into force or to any situation which ceased to exist before the date of entry into force of the Treaty. This provision thus explicitly states the standard under customary international law that applies in the absence of the Parties' express intent to apply the treaty retroactively.

Paragraph 3 provides that, if the Treaty is terminated, all investments covered by the Treaty on the date of termination (i.e., 1 year after written notice) continue to be protected under the Treaty for 10 years from that date.

Paragraph 4 stipulates that the Annex and Protocol shall form an integral part of the Treaty.

Annex

U.S. bilateral investment treaties allow for exceptions to national and MFN treatment, where the Parties' domestic regimes do not afford national and MFN treatment, or where treatment in certain sectors or

matters is negotiated in and governed by other agreements. Future derogations from the national treatment obligations of the Treaty are generally permitted only in the sectors or matters listed in the Annex, pursuant to Article II(1), and must be made on an MFN basis unless otherwise specified therein.

Under a number of statutes, many of which have a long historical background, the U.S. federal government or States may not necessarily treat investments of nationals or companies of Lithuania as they do U.S. investments or investments from a third country. Paragraphs 1 and 2 of the Annex list the sectors or matters subject to U.S. exceptions.

The U.S. exceptions from its national treatment obligation are: air transportation; ocean and coastal shipping; banking, insurance, securities, and other financial services; government grants; government insurance and loan programs; energy and power production; custom house brokers; ownership of real property; ownership and operation of broadcast or common carrier radio and television stations; ownership of shares in COMSAT; the provision of common carrier telephone and telegraph services; the provision of submarine cable services; use of land and natural resources; mining on the public domain; maritime services and maritime-related services; and primary dealership in United States government securities.

The U.S. exceptions from its MFN treatment obligation are: mining on the public domain; maritime services and maritime-related services; one-way satellite transmissions of Direct-to-Home (DTH) and

Direct Broadcasting Satellites (DBS) television services and of digital audio services; and primary dealership in United States government securities.

Paragraph 3 of the Annex lists Lithuania's exceptions from its national treatment obligation, which are: ownership of: land under the objects belonging to Lithuania by the right of exclusive ownership; land of national parks, national reservations, reserves, protective areas of the territory of biosphere monitoring; agricultural land; forestry land, with the exception of plots necessary for operation of buildings and facilities designated for economic activities which have been provided for in approved planning documents; land of recreational forests and forest shelter belts, rivers and other water bodies exceeding one hectare in size as well as their protective bank area; land of resorts and communal recreational territories, separate communal recreational areas and objects; land of state-protected natural carcass (geographic formations); monuments of nature, history, archaeology, and culture as well as the surrounding protective areas; land of territories reserved, according to design projects, under communal roads and engineering service lines; objects of infrastructure of communal use in towns or other localities, and for other common needs of the community; land under public roads, railway lines, airports, sea and river ports, main pipelines and other engineering service lines of communal use as well as land necessary for their operation; land allotted, in accordance with the procedure established by law, under

the free trade (economic) zones territory; land of protected territories where deposits of mineral resources and other natural resources have been found, with the exception of land which, according to planning documents, has been directly allotted for the construction of buildings and facilities required for the mining or use of said mineral resources; land of the Curonian Spit, the fifteen-kilometer wide strip of coastal land of the Baltic Sea and the Curonian Lagoon, with the exception of towns that are not resorts; land assigned to the frontier; land of the territories assigned or reserved for the needs of the national defense as well as territories where land acquisition restrictions are established by laws or Government decrees for safety reasons; production and sale of narcotic drugs and psychotropic substances that are not used for legitimate medicinal purposes; growing, reproduction, and sale of cultures containing narcotic drugs or psychotropic substances that are not used for legitimate medicinal purposes; and organization of lotteries.

Lithuania did not take any exceptions from its MFN treatment obligation.

The listing of a sector or matter in the Annex does not necessarily signify that domestic laws have entirely reserved it for nationals. And, pursuant to Article II(1), any additional restrictions or limitations that a Party may adopt with respect to a listed sector or matter do not apply to investment existing in that sector or matter at the time the exception becomes effective.

Finally, listing a sector or matter in the Annex exempts a Party only from the obligation to accord national or MFN treatment. Both Parties are obligated to accord to investments in all sectors -- even those listed in the Annex -- all other rights conferred by the Treaty.

Protocol

As described under Article XII(1), the Protocol states that the Treaty does not apply retroactively. This clarification was added to the Treaty at the request of Lithuania.

The other U.S. Government agencies that participated in negotiating the Treaty join me in recommending that it be transmitted to the Senate at an early date.

Respectfully submitted,

Madeleine Albright

TREATY BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE REPUBLIC OF LITHUANIA
FOR THE ENCOURAGEMENT AND RECIPROCAL
PROTECTION OF INVESTMENT

The Government of the United States of America and the Government of the Republic of Lithuania (hereinafter the "Parties");

Desiring to promote greater economic cooperation between them, with respect to investment by nationals and companies of one Party in the territory of the other Party;

Recognizing that agreement upon the treatment to be accorded such investment will stimulate the flow of private capital and the economic development of the Parties;

Agreeing that fair and equitable treatment of investment is desirable in order to maintain a stable framework for investment and maximum effective utilization of economic resources;

Recognizing that the development of economic and business ties can contribute to the well-being of workers in both Parties and promote respect for internationally recognized worker rights;

Noting the bilateral most favored nation trade agreement of December 23, 1925, between the Parties;

In furtherance of Article three of the bilateral agreement concerning the development of trade and investment relations of 1992 between the Parties and;

Having resolved to conclude a Treaty concerning the encouragement and reciprocal protection of investment;

Have agreed as follows:

ARTICLE I

1. For the purpose of this Treaty,

(a) "Investment" means every kind of investment in the territory of one Party owned or controlled directly or indirectly by nationals or companies of the other Party, such as equity, debt, and service and investment contracts; and includes:

(i) tangible and intangible property, including rights, such as mortgages, liens and pledges;

(ii) a company or shares of stock or other interests in a company or interests in the assets thereof;

(iii) a claim to money or a claim to performance having economic value, and associated with an investment;

(iv) intellectual property which includes, inter alia, rights relating to:

literary and artistic work, including sound recordings,

inventions in all fields of human endeavor,

industrial designs,

semiconductor mask works,

trade secrets, know-how, and confidential business information,

and trademarks, service marks, and trade names; and

(v) any right conferred by law or contract, and any licenses and permits pursuant to law.

(b) "Company" of a Party means any kind of corporation, company, association, partnership, or other organization, legally constituted under applicable laws and regulations of a Party whether or not organized for pecuniary gain, or privately or governmentally owned or controlled.

(c) "National" of a Party means a natural person who, for the United States of America, is a national of the United States under its applicable laws, and for Lithuania, is a citizen of the Republic of Lithuania under its applicable laws.

(d) "Return" means an amount derived from or associated with an investment, including profit; dividend; interest; capital gain; royalty payment; management, technical assistance or other fee; or returns in kind.

(e) "Associated activities" include the organization, control, operation, maintenance and disposition of companies, branches, agencies, offices, factories or other facilities for the conduct of business; the making, performance and enforcement of contracts; the acquisition, use, protection and disposition of property of all kinds including intellectual property; the borrowing of funds; the purchase, issuance and sale of equity shares and other securities; and the purchase of foreign exchange for imports.

(f) "State enterprise" means an enterprise owned, or controlled through ownership interests, by a Party.

(g) "Delegation" includes a legislative grant and a government order, directive or other act transferring to a state enterprise or monopoly, or authorizing the exercise by a state enterprise or monopoly of, governmental authority.

2. Each Party reserves the right to deny to any company the advantages of this Treaty if nationals of any third country control such company and, in the case of a company of the other Party, that company has no substantial business activities in the territory of the other Party or is controlled by nationals of a third country with which the denying Party does not maintain normal economic relations.

3. Any alteration of the form in which assets are invested or reinvested shall not affect their character as investment.

ARTICLE II

1. Each Party shall permit and treat investment, and activities associated therewith, on a basis no less favorable than that accorded in like situations to investment or associated activities of its own nationals or companies, or of nationals or companies of any third country, whichever is the most favorable, subject to the right of each Party to make or maintain exceptions falling within one of the sectors or matters listed in the Annex to this Treaty. Each Party agrees to notify the other Party before or on the date of entry into force of this Treaty of all such laws and regulations of which it is aware concerning the sectors or matters listed in the Annex. Moreover, each Party agrees to notify the other of any future exception with respect to sectors or matters listed in the Annex, and to limit such exceptions to a minimum. Any future exception by either Party shall not apply to investment existing in that sector or matter at the time

the exception becomes effective. The treatment accorded pursuant to any exceptions shall unless specified otherwise in the Annex, be not less favorable than that accorded in like situations to investment and associated activities of nationals or companies of any third country.

2. (a) Nothing in this Treaty shall be construed to prevent a Party from maintaining or establishing a state enterprise.

(b) Each Party shall ensure that any state enterprise that it maintains or establishes acts in a manner that is not inconsistent with the Party's obligations under this Treaty wherever such enterprise exercises any regulatory, administrative or other governmental authority that the Party has delegated to it, such as the power to expropriate, grant licenses, approve commercial transactions or impose quotas, fees or other charges.

(c) Each Party shall ensure that any state enterprise that it maintains or establishes accords the better of national or most favored nation treatment in the sale of its goods or services in the Party's territory.

3. (a) Investment shall at all times be accorded fair and equitable treatment, shall enjoy full protection and security and shall in no case be accorded treatment less favorable than required by international law.

(b) Neither Party shall in any way impair by arbitrary or discriminatory measures the management, operation, maintenance, use, enjoyment, acquisition, expansion, or disposal of investments. For purpose of dispute resolution under Articles VI and VII, a measure may be arbitrary or discriminatory notwithstanding the fact that a Party has had or has exercised the opportunity to review such measure in the courts or administrative tribunals of a Party.

(c) Each Party shall observe any obligation it may have entered into with regard to investments.

4. Subject to the laws relating to the entry and sojourn of aliens, nationals of either Party shall be permitted to enter and to remain in the territory of the other Party for the purpose of establishing, developing, administering or advising on the operation of an investment to which they, or a company of the first Party that employs them, have committed or are in the process of committing a substantial amount of capital or other resources.

5. Companies which are legally constituted under the applicable laws or regulations of one Party, and which are investments, shall be permitted to engage top managerial personnel of their choice, regardless of nationality.

6. Neither Party shall impose performance requirements as a condition of establishment, expansion or maintenance of investments, which require or enforce commitments to export goods produced, or which specify that goods or services must be purchased locally, or which impose any other similar requirements.

7. Each Party shall provide effective means of asserting claims and enforcing rights with respect to investment, investment agreements, and investment authorizations.

8. Each Party shall make public all laws, regulations, administrative practices and procedures, and adjudicatory decisions that pertain to or affect investments.

9. The treatment accorded by the United States of America to investment and associated activities of nationals and companies of the Republic of Lithuania under the provisions of this Article shall in any State, Territory or possession of the United States of America be no less favorable than the treatment accorded therein to investments and associated activities of nationals of the United States of America resident in, and companies legally constituted under the law and regulations of other States, Territories or possessions of the United States of America.

10. The most favored nation provisions of this Treaty shall not apply to advantages accorded by either Party to nationals or companies of any third country by virtue of:

(a) that Party's binding obligations that derive from full membership in a free trade area or customs union; or

(b) that Party's binding obligations under any multilateral international agreement under the framework of the General Agreement on Tariffs and Trade that enters into force subsequent to the signature of this Treaty.

11. The Parties acknowledge and agree that "associated activities" include, without limitation, such activities as:

(a) the granting of franchises or rights under licenses;

(b) access to registrations, licenses, permits and other approvals (which shall in any event be issued expeditiously);

(c) access to financial institutions and credit markets;

(d) access to their funds held in financial institutions;

(e) the importation and installation of equipment necessary for the normal conduct of business affairs, including but not limited to, office equipment and automobiles and the export of any equipment and automobiles so imported;

(f) the dissemination of commercial information;

(g) the conduct of market studies;

(h) the appointment of commercial representatives, including agents, consultants, and distributors and their participation in trade fairs and promotion events;

(i) the marketing of goods and services, including through internal distribution and marketing systems, as well as by advertising and direct contact with individuals and companies;

(j) access to public utilities, public services and commercial rental space at non-discriminatory prices, if the prices are set or controlled by the government; and

(k) access to raw materials, inputs and services of all types at nondiscriminatory prices, if the prices are set or controlled by the government.

ARTICLE III

1. Investments shall not be expropriated or nationalized either directly or indirectly through measures tantamount to expropriation or nationalization ("expropriation") except: for a public purpose; in a nondiscriminatory manner; upon payment of prompt, adequate and effective compensation; and in accordance with due process of law and the general principles of treatment provided for in Article II(3). Compensation shall be equivalent to the fair market value of the expropriated investment immediately before the expropriatory action was taken or became known, whichever is earlier; be calculated in a freely usable currency on the basis of the prevailing market rate of exchange at that time; be paid without delay; include interest at a commercially reasonable rate, such as LIBOR plus an appropriate margin from the date of expropriation; be fully realizable; and be freely transferable.

2. A national or company of either Party that asserts that all or part of its investment has been expropriated shall have a right to prompt review by the appropriate judicial or administrative authorities of the other Party to determine whether such expropriation has occurred and, if so, whether any such expropriation, and any associated compensation, conforms to the principles of international law.

3. Nationals or companies of either Party whose investments suffer losses in the territory of the other Party owing to war or other armed conflict, revolution, state of national emergency, insurrection, civil disturbance or other similar events shall be accorded treatment by such other Party no less favorable than that accorded to its own nationals or companies or to nationals or companies of any third country, whichever is the most favorable treatment, as regards any measures it adopts in relation to such losses.

ARTICLE IV

1. Each Party shall permit all transfers related to an investment to be made freely and without delay into and out of its territory. Such transfers include:

- (a) returns;
- (b) compensation pursuant to Article III;
- (c) payments arising out of an investment dispute;
- (d) payments made under a contract, including amortization of principal and accrued interest payments made pursuant to a loan agreement;
- (e) proceeds from the sale or liquidation of all or any part of an investment; and
- (f) additional contributions to capital for the maintenance or development of an investment.

2. Transfers shall be made in a freely usable currency at the prevailing market rate of exchange on the date of transfer with respect to spot transactions in the currency to be transferred.

3. Notwithstanding the provisions of paragraphs 1 and 2, either Party may maintain laws and regulations (a) requiring reports of currency transfer; and (b) imposing income taxes by such means as a withholding tax applicable to dividends or other transfers. Furthermore, either Party may protect the rights of creditors, or ensure the satisfaction of judgments in adjudicatory proceedings, through the equitable, nondiscriminatory and good faith application of its law.

ARTICLE V

The Parties agree to consult promptly, on the request of either, to resolve any disputes in connection with the Treaty, or to discuss any matter relating to the interpretation or application of the Treaty.

ARTICLE VI

1. For the purposes of this Article, an investment dispute is a dispute between a Party and a national or company of the other Party arising out of or relating to:

(a) an investment agreement between that Party and such national or company;

(b) an investment authorization granted by that Party's foreign investment authority to such national or company; or

(c) an alleged breach of any right conferred or created by this Treaty with respect to an investment.

2. In the event of an investment dispute, the parties to the dispute should initially seek a resolution through consultation and negotiation. If the dispute cannot be settled amicably, the national or company concerned may choose to submit the dispute for resolution:

(a) to the courts or administrative tribunals of the Party that is a party to the dispute; or

(b) in accordance with any applicable, previously agreed dispute-settlement procedures; or

(c) in accordance with the terms of paragraph 3.

3. (a) Provided that the national or company concerned has not submitted the dispute for resolution under paragraph 2 (a) or (b) and that six months have elapsed from the date on which the dispute arose, the national or company concerned may choose to consent in writing to the submission of the dispute for settlement by binding arbitration:

(i) to the International Centre for the Settlement of Investment Disputes ("Centre") established by the Convention on the Settlement of Investment Disputes between States and Nationals of other States, done at Washington, March 18, 1965 ("ICSID Convention"), provided that the Party is a party to such Convention; or

(ii) to the Additional Facility of the Centre, if the Centre is not available; or

(iii) in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL); or

(iv) to any other arbitration institution, or in accordance with any other arbitration rules, as may be mutually agreed between the parties to the dispute.

(b) Once the national or company concerned has so consented, either Party to the dispute may initiate arbitration in accordance with the choice so specified in the consent.

4. Each Party hereby consents to the submission of any investment dispute for settlement by binding arbitration in accordance with the choice specified in the written consent of the national or company under paragraph 3. Such consent, together with the written consent of the nationals or company when given under paragraph 3, shall satisfy the requirement for:

(a) written consent of the parties to the dispute for purposes of Chapter II of the ICSID Convention (Jurisdiction of the Centre) and for purposes of the Additional Facility Rules; and

(b) an "agreement in writing" for purposes of Article II of the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, done at New York, June 10, 1958 ("New York Convention").

5. Any arbitration under paragraph 3(a)(ii), (iii) or (iv) of this Article shall be held in a state that is a party to the New York Convention.

6. Any arbitral award rendered pursuant to this Article shall be final and binding on the parties to the dispute. Each Party undertakes to carry out without delay the provisions of any such award and to provide in its territory for its enforcement.

7. In any proceeding involving an investment dispute, a Party shall not assert, as a defense, counterclaim, right of set-off or otherwise, that the national or company concerned has received or will receive, pursuant to an insurance or guarantee contract, indemnification or other compensation for all or part of its alleged damages.

8. For purposes of an arbitration held under paragraph 3 of this Article, any company legally constituted under the applicable laws and regulations of a Party or a political subdivision thereof but that, immediately before the occurrence of the event or events giving rise to the dispute, was an investment of nationals or companies of the other Party, shall be treated as a national or company of such other Party in accordance with Article 25(2)(b) of the ICSID Convention.

ARTICLE VII

1. Any dispute between the Parties concerning the interpretation or application of the Treaty which is not resolved through consultations or other diplomatic channels, shall be submitted, upon the request of either Party, to an arbitral tribunal for binding decision in accordance with the applicable rules of international law. In the absence of an agreement by the Parties to the contrary, the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL), except to the extent modified by the Parties or by the arbitrators, shall govern.

2. Within two months of receipt of a request, each Party shall appoint an arbitrator. The two arbitrators shall select a third arbitrator as Chairman, who is a national of a third state. The UNCITRAL Rules for appointing members of three-member panels shall apply mutatis mutandis to the appointment of the arbitral panel except that the appointing authority referenced in those rules shall be the Secretary General of the Centre.

3. Unless otherwise agreed, all submissions shall be made and all hearings shall be completed within six months of the date of selection of the third arbitrator, and the Tribunal shall render its decisions within two months of the date of the final submissions or the date of the closing of the hearings, whichever is later.

4. Each Party shall pay the costs of its representation in the arbitral proceedings. Expenses incurred by the Chairman, the other arbitrators, and other costs of the proceedings shall be paid for equally by the Parties. The Tribunal may, however, at its discretion, direct that a higher proportion of the costs be paid by one of the Parties.

ARTICLE VIII

This Treaty shall not derogate from:

(a) laws and regulations, administrative practices or procedures, or administrative or adjudicatory decisions of either Party;

(b) international legal obligations; or

(c) obligations assumed by either Party, including those contained in an investment agreement or an investment authorization,

that entitle investments or associated activities to treatment more favorable than that accorded by this Treaty in like situations.

ARTICLE IX

1. This Treaty shall not preclude the application by either Party of measures necessary for the maintenance of public order, the fulfillment of its obligations with respect to the maintenance or restoration of international peace or security, or the protection of its own essential security interests.

2. This Treaty shall not preclude either Party from prescribing special formalities in connection with the establishment of investments, but such formalities shall not impair the substance of any of the rights set forth in this Treaty.

ARTICLE X

1. With respect to its tax policies, each Party should strive to accord fairness and equity in the treatment of investment of nationals and companies of the other Party.

2. Nevertheless, the provisions of this Treaty, and in particular Article VI and VII, shall apply to matters of taxation only with respect to the following:

(a) expropriation, pursuant to Article III;

(b) transfers, pursuant to Article IV; or

(c) the observance and enforcement of terms of an investment agreement or authorization as referred to in Article VI(1) (a) or (b),

to the extent they are not subject to the dispute settlement provisions of a Convention for the avoidance of double taxation between the two Parties, or have been raised under such settlement provisions and are not resolved within a reasonable period of time.

ARTICLE XI

This Treaty shall apply to the political and administrative subdivisions of the Parties.

ARTICLE XII

1. This Treaty shall enter into force thirty days after the date of exchange of instruments of ratification. It shall remain in force for a period of ten years and shall continue in force unless terminated in accordance with paragraph 2 of this Article. It shall apply to investments existing at the time of entry into force as well as to investments made or acquired thereafter.

2. Either Party may, by giving one year's written notice to the other Party, terminate this Treaty at the end of the initial ten year period or at any time thereafter.

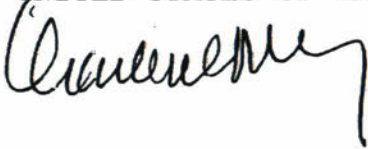
3. With respect to investments made or acquired prior to the date of termination of this Treaty and to which this Treaty otherwise applies, the provisions of all of the other Articles of this Treaty shall thereafter continue to be effective for a further period of ten years from such date of termination.

4. The Annex and Protocol shall form an integral part of the Treaty.

IN WITNESS WHEREOF, the respective plenipotentiaries have signed this Treaty.

Done in duplicate at Washington on the fourteenth day of January , 1998, in the English and Lithuanian languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:



FOR THE GOVERNMENT OF THE
REPUBLIC OF LITHUANIA:



ANNEX

1. The Government of the United States of America reserves the right to make or maintain limited exceptions to national treatment, as provided in Article II, paragraph 1, in the sectors or matters it has indicated below:

air transportation; ocean and coastal shipping; banking, insurance, securities and other financial services; government grants; government insurance and loan programs; energy and power production; custom house brokers; ownership of real property; ownership and operation of broadcast or common carrier radio and television stations; ownership of shares in COMSAT; the provision of common carrier telephone and telegraph services; the provisions of submarine cable services; use of land and natural resources; mining on the public domain; maritime services and maritime-related services; and primary dealership in United States government securities.

2. The Government of the United States of America reserves the right to make or maintain limited exceptions to most favored nation treatment, as provided in Article II, paragraph 1, in the sectors or matters it has indicated below:

mining on the public domain; maritime services and maritime-related services; one-way satellite transmissions of DTH and DBS television services and of digital audio services; and primary dealership in United States government securities.

3. The Government of the Republic of Lithuania reserves the right to make or maintain limited exceptions to national treatment, as provided in Article II, paragraph 1, in the sectors or matters it has indicated below:

ownership of: land under the objects belonging to the Republic of Lithuania by the right of exclusive ownership; land of national parks, national reservations, reserves, protective areas of the territory of biosphere monitoring; agricultural land; forestry land, with the exception of plots necessary for operation of buildings and facilities designated for economic activities which have been provided for in approved planning documents; land of recreational forests and forest shelter belts, rivers and other water bodies exceeding one hectare in size as well as their protective bank area; land of resorts and communal recreational territories, separate communal recreational areas and objects; land of state-protected natural carcass (geographic formations); monuments of nature, history, archaeology and culture as well as the surrounding protective areas; land of territories reserved, according to design projects, under communal

roads and engineering service lines; objects of infrastructure of communal use in towns or other localities, and for other common needs of the community; land under public roads, railway lines, airports, sea and river ports, main pipelines and other engineering service lines of communal use as well as land necessary for their operation; land allotted, in accordance with the procedure established by law, under the free trade (economic) zones territory; land of protected territories where deposits of mineral resources and other natural resources have been found, with the exception of land which, according to planning documents, has been directly allotted for the construction of buildings and facilities required for the mining or use of said mineral resources; land of the Curonian Spit, the fifteen-kilometer wide strip of coastal land of the Baltic Sea and the Curonian Lagoon, with the exception of towns that are not resorts; land assigned to the frontier; land of the territories assigned or reserved for the needs of the national defense as well as territories where land acquisition restrictions are established by laws or Government decrees for safety reasons;

production and sale of narcotic drugs and psychotropic substances which are not used for legitimate medicinal purposes; growing, reproduction and sale of cultures containing narcotic drugs or psychotropic substances which are not used for legitimate medicinal purposes; organization of lotteries.

PROTOCOL

The Parties confirm their mutual understanding that the provisions of this Treaty do not bind either party in relation to any act or fact which took place or any situation which ceased to exist before the date of the entry into force of this Treaty.

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20504

5160

August 15, 2000

ACTION

MEMORANDUM FOR SAMUEL R. BERGER

THROUGH: NICHOLAS KASS, ACTING *NK*
FROM: RICHARD NORLAND *RN*
SUBJECT: Transmittal to the Senate of the Treaty Between
the U.S. Government and the Government of
Lithuania for the Encouragement and Reciprocal
Protection of Investment

Attached for your signature at Tab I is your memorandum to the President recommending that he transmit for advice and consent a Bilateral Investment Treaty between the United States and Lithuania.

The NSC received the incoming correspondence on August 9, 2000.

Concurrence by: Daniel Shapiro, Caroline Krass *DS CK*

RECOMMENDATION

That you sign the memorandum to the President at Tab I.

Attachments

Tab I Memorandum to the President
Tab A Transmittal Letter to the Senate
Tab B Secretary of State's Memo to the President
Tab C The Original Treaty

UNCLASSIFIED
NSC/RMO PROFILE

RECORD ID: 0005160
RECEIVED: 10 AUG 00 06

TO: BRADTKE

FROM: ALBRIGHT, M

DOC DATE: 09 AUG 00
SOURCE REF: 200013936

KEYWORDS: LITHUANIA
LEGAL ISSUES
CM

TREATIES
CONGRESSIONAL

PERSONS:

SUBJECT: TREATY BTW US & GOVT OF REPUBLIC OF LITHUANIA RE ENCOURAGEMENT &
RECIPROCAL PROTECTION OF INVESTMENT

ACTION: PREPARE MEMO FOR BERGER

DUE DATE: 16 AUG 00 STATUS: S

STAFF OFFICER: NORLAND

LOGREF:

FILES: PA

NSCP:

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION
NORLAND

FOR CONCURRENCE
BAKER
LACKEY

FOR INFO
EXECSEC
FICKLIN
WEISS

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: NSGP

CLOSED BY:

DOC 1 OF 1

UNCLASSIFIED

TO THE SENATE OF THE UNITED STATES:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty Between the Government of the United States of America and the Government of the Republic of Lithuania for the Encouragement and Reciprocal Protection of Investment, with Annex and Protocol, signed at Washington on January 14, 1998. I transmit also, for the information of the Senate, the report of the Department of State with respect to this Treaty.

The bilateral investment treaty (BIT) with Lithuania was the third such treaty signed between the United States and a Baltic Region Country. The Treaty will protect U.S. investment and assist Lithuania in its efforts to develop its economy by creating conditions more favorable for U.S. private investment and thereby

strengthening the development of its private sector.

The Treaty furthers the objectives of U.S. policy toward international and domestic investment. A specific tenet of U.S. policy, reflected in this Treaty, is that U.S. investment abroad and foreign investment in the United States should receive national treatment. Under this Treaty, the Parties also agree to customary international law standards for expropriation. The Treaty includes detailed provisions regarding the computation and payment of prompt, adequate, and effective compensation for expropriation; free transfer of funds related to investments; freedom of investments from specified performance requirements; fair, equitable and most-favored-nation treatment; and the investor or investment's freedom to choose to

resolve disputes with the host government through international arbitration.

I recommend that the Senate consider this Treaty as soon as possible, and give its advice and consent to ratification of the Treaty at an early date.

THE WHITE HOUSE,