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INFO	LOG-00	ACDA-10	ACDE-00	AID-00	AMAD-01	CIAE-00	SMEC-00
	OASY-00	SRFP-00	EB-00	FBIE-00	H-01	TEDE-00	INR-00
	SAL-00	L-01	ADS-00	M-00	NSAE-00	NSCE-00	OMB-01
	PA-00	PM-00	PRS-00	P-00	SP-00	SSO-00	SS-00
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C O N F I D E N T I A L STATE 104838

E.O. 12958: 5/09/06  
 TAGS: MARR, MASS, PREL, BK  
 SUBJECT: DEMARCHE TO BOSNIAN FEDERATION ON TRAIN AND  
 EQUIP TRAINING CONTRACT

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1. CLASSIFIED BY JAMES PARDEW, EUR/TMS. REASON: 1.5D.
2. (U) THE ACQUISITION SUPPORT INSTITUTE RECOMMENDS THAT THE BOSNIAN FEDERATION SELECT THE FIRM MILITARY PROFESSIONAL RESOURCES, INC. (MPRI) AS THE PRIMARY CONTRACTOR FOR TRAINING FEDERATION ARMED FORCES. THE ACQUISITION SUPPORT INSTITUTE IS AN INDEPENDENT, NON-GOVERNMENTAL WASHINGTON-BASED NON-PROFIT ORGANIZATION CREATED TO ASSIST THE BOSNIANS ON MILITARY DEVELOPMENT ISSUES. IT IS HEADED BY RICHARD PERLE, FORMER ASSISTANT SECRETARY OF DEFENSE. FRED IKLE, FORMER UNDER SECRETARY OF DEFENSE, AND CLARRISSE FELDMAN, A WASHINGTON ATTORNEY, ALSO SIT ON THE BOARD OF DIRECTORS.
3. (C) AMBASSADOR SHOULD APPROACH PRESIDENT ZUBAK AND VICE PRESIDENT GANIC TO NOTIFY THEM OF THIS RECOMMENDATION, USING THE FOLLOWING TALKING POINTS:

-- WE UNDERSTAND FROM REPORTS THAT, FOLLOWING SEVERAL MONTHS OF DETAILED CONTRACT DEVELOPMENT, ANALYSIS AND NEGOTIATIONS, THE ACQUISITION SUPPORT INSTITUTE RECOMMENDS THAT THE FEDERATION SELECT MILITARY PROFESSIONAL RESOURCES, INC (MPRI) OF ALEXANDRIA, VIRGINIA AS PRIME CONTRACTOR FOR TRAINING YOUR ARMED FORCES.

-- THE RECOMMENDATION IS INDEPENDENT OF THE US GOVERNMENT, ALTHOUGH USG SUBJECT MATTER EXPERTS WERE PRESENT DURING THE CONTRACT DEVELOPMENT AND NEGOTIATION PROCESS TO ENSURE THE CONTRACT IS CONSISTENT WITH U.S. POLICY AND OBJECTIVES FOR THE TRAIN AND EQUIP PROGRAM.

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-- THE FEDERATION DEFENSE FUND, ESTABLISHED BY THE US GOVERNMENT, WILL PROVIDE THE FUNDS FOR THE CONTRACT ONCE APPROVED AND SIGNED

-- THE CONTRACT IS NOT YET FINALIZED; NEGOTIATIONS WILL CONTINUE ON SPECIFIC DETAILS OF THE CONTRACT OVER THE NEXT SEVERAL DAYS, AND THE CONTRACT SHOULD BE READY FOR SIGNATURE BY LATE MAY.

-- WE WELCOME BOSNIAN-CROAT INVOLVEMENT IN THE FINAL STAGES OF THE CONTRACTING PROCESS TO INSURE YOU ARE COMFORTABLE WITH FINAL DECISIONS BEFORE THE CONTRACT IS PRESENTED FOR SIGNATURE.

-- SIGNING OF THE CONTRACT CAN TAKE PLACE ONCE THE DEFENSE LAW IS PASSED AND GOVERNMENT OF BOSNIA-HERZEGOVINA IS DETERMINED TO BE IN COMPLIANCE WITH U.S. AND DAYTON REQUIREMENTS ON FOREIGN FORCES AND INTELLIGENCE RELATIONSHIP WITH IRAN. CONTRACT ACTIVITIES CAN BEGIN WITHIN DAYS OF CONTRACT SIGNATURE.

-- IF YOU ACCEPT THE RECOMMENDATION TO SELECT MPRI AS PRIME CONTRACTOR, WE PROPOSE THAT THE U.S. AND THE FEDERATION IN COORDINATION ANNOUNCE THE SELECTION OF MPRI IN SARAJEVO. WE REQUEST THAT YOU COORDINATE WITH THE USG ON THE TIMING AND SUBSTANCE OF THE ANNOUNCEMENT. WE PROPOSE THE EXCHANGE OF TEXTS OF THE ANNOUNCEMENTS PRIOR TO THEIR BEING MADE PUBLIC. A SEPARATE MSG WILL PROVIDE THE TEXT OF THE USG ANNOUNCEMENT IN WASHINGTON.

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-- THE CONTRACT SIGNING CEREMONY, WHICH WE ENVISION GARNERING SUBSTANTIAL PUBLICITY, WILL BE SCHEDULED TO TAKE PLACE AS SOON AS POSSIBLE AFTER THE ISSUE OF FOREIGN FORCES HAS BEEN RESOLVED.

-- WE HAVE ASSURED PRESIDENT IZETBEGOVIC THAT HE WOULD BE INFORMED OF THE STATUS OF THE TRAINING CONTRACT. WE ASK THAT YOU PASS THIS INFORMATION ON TO HIM AT YOUR EARLIEST CONVENIENCE.

-- FOR GENERAL INFORMATION THE TEXT OF THE ACQUISITION SUPPORT INSTITUTE'S ANNOUNCEMENT FOLLOWS: "WORKING IN CLOSE COORDINATION WITH OFFICIALS OF THE STATE AND DEFENSE DEPARTMENTS, THE ACQUISITION SUPPORT INSTITUTE ("ASI") THE TEAM OF EXPERT ADVISERS ORGANIZED TO ASSIST THE FEDERATION ON THE ACQUISITION OF TRAINING SERVICES AND EQUIPMENT FOR THE FEDERATION ARMED FORCES, IS RECOMMENDING THAT THE FEDERATION AWARD THE INITIAL TRAINING CONTRACT TO MPRI. ASI INDEPENDENTLY REACHED THIS RECOMMENDATION AFTER

17 WEEKS OF INTENSE EVALUATION AND SUBSEQUENT NEGOTIATIONS WITH THE SEVERAL CONTRACTORS OFFERING THEIR SERVICES. THE RECOMMENDATION IS BASED ON CONSIDERATION OF THE OVERALL VALUE OF MPRI'S PROPOSAL, TAKING INTO ACCOUNT THE QUALITY OF THE LEADERSHIP, THE TRAINING CONCEPTS, THE EFFICIENCY OF THE APPROACH TO THE SEVERAL TASKS OUTLINED IN THE FEDERATION'S REQUEST FOR PROPOSALS, PRICING AND OTHER CONTRACTUAL ELEMENTS. ASI URGES THAT THE TRAINING PROGRAM NOW GO FORWARD EXPEDITIOUSLY."

4. (U) SARAJEVO MINIMIZE CONSIDERED.  
CHRISTOPHER

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