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**Report of the OSCE Secretary General,
Ambassador Ján Kubiš**

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In 2004, the OSCE Secretariat continued to provide assistance to participating States in the process of implementing their decisions, particularly in relation to addressing new threats and challenges to security, and consolidated the process of management reform. It also organized, in co-operation with ODIHR, the first OSCE operation on the territory of its Partner for Co-operation, the Election Support Team to Afghanistan.

Security and safety of the staff

Last year at the Maastricht Ministerial Council I made the security and safety of OSCE staff my priority. I have initiated a thorough review of the OSCE Security Management System in order to prepare the Organization to better meet increased security challenges. Security remains a high priority and no efforts should be spared to seek its further improvement.

Most of the recommendations I have presented to the participating States, for approval, were accepted and have been acted upon. Security awareness across the Organization has increased along with visibly improved management of the day-to-day security related activities and their monitoring. All security issues have been placed under my direct supervision, a Security Management Unit has been established in the Office of the Secretary General with a number of newly created posts. The institutions are now fully rooted in the system. Soon I will bring into force a new Security Management System for the Organization which will ensure a coherent and coordinated approach to security matters and which will better meet the Organization's duty to care to its staff in the prevailing security reality. Two key components of the system are the Security Management Committee and the Crisis Management Team - the main advisory bodies for providing assistance and recommendations on security and safety related matters, as well as emergency type situations.

Activities of the Conflict Prevention Centre

The Conflict Prevention Centre (CPC) continued to provide key advice to the Chairmanship and active support to all OSCE field operations. This year, for instance, it provided focused support to the Chairmanship in the monitoring of developments in Transdnistria, Moldova and in the South Caucasus and helped in strengthening efforts in the negotiations towards the peaceful settlement of on-going conflicts. Additional contributions were devoted to supporting the Chairmanship's specific initiatives such as promoting education as a tool for conflict prevention. The CPC helped organize a Ministerial Conference on "Education as an Investment into the Future" held in April in Tashkent, and it produced a comprehensive review of all OSCE education activities.

In addition, the CPC remained a key pillar of the OSCE's politico-military dimension of security. It provided continued support and expertise to the Forum for Security Co-operation, assisting participating States with field projects and assessment visits on Small Arms and Light Weapons (SALW) and conventional ammunition, and submitting detailed monthly and quarterly surveys regarding the implementation of Confidence and Security Building Measures (CSBMs) by OSCE participating States. It played a major role in assisting the Chairmanship with the preparations, conduct and follow-up to the Annual Security Review Conference, held in June 2004. The CPC also organised jointly with the OSCE Parliamentary Assembly, in May 2004, a Conference on Parliamentary Oversight of Armed Forces aimed at increasing awareness among Parliamentarians on the Code of Conduct.

The team of experts established in the CPC to deal with border management and security issues conducted the first Phase of the OSCE South Eastern Europe Cross-border Co-operation Programme (OSCCP). In view of the success of the first phase, the CPC will move to implementing a more operational set of projects in the second phase of the programme in 2005. The CPC also actively contributed to the work on an OSCE Border Security and Management Concept, and played a major role in the preparation and conduct of a joint OSCE - UNODC Technical Experts Conference on Border Management and Security Issues, held in Vienna in September 2004.

In support of the management reform process, the CPC's Project Co-ordination Cell provided project management training to OSCE staff, as well as support to programme managers in field operations in the planning, development, and evaluation of their projects and programmes. It also co-ordinated the assessment of about 150 extra-budgetary projects planned by field operations in 2004, thus ensuring that these activities were consistent with those implemented by the Institutions and the Secretariat.

Combating terrorism

Over the past year, Action Against Terrorism Unit (ATU) has significantly contributed to the progress achieved towards implementing decisions related to combating terrorism taken by participating States, while effectively serving as the focal point for OSCE counter-terrorism co-ordination and activities.

ATU has undertaken concrete actions to complement UN work in this top priority area. The OSCE together with the UN Counter-Terrorism Committee (UNCTC) and the United Nations Office on Drugs and Crime (UNODC) co-hosted the Follow-up Conference to the UN Counter-Terrorism Committee Special Meeting on 11-12 March 2004 in Vienna. This was the third global meeting of international, regional and sub-regional organizations engaged in the fight against terrorism. In October 2004, UN Counter-Terrorism Executive Director Javier Rupérez held extensive consultations with the OSCE at my invitation. The Unit also is leading OSCE efforts to support the ratification and implementation of the 12 universal counter-terrorism conventions and protocols. Together with UNODC and ODIHR, ATU supported ratification efforts of participating States through six workshops or conferences. As a result of these efforts and the co-operation of OSCE participating States, the ratification rate for the OSCE has risen from 83 % at the end of 2003 to 88 % today. Thirty-three participating States are now parties to all 12 instruments.

Working closely with the International Civil Aviation Organisation (ICAO), ATU has developed an approach to strengthen travel document security, one that ICAO would like to replicate in other regions of the world. In collaboration with ICAO last March, ATU organised an OSCE-wide workshop in Vienna covering key travel document concerns including adherence to international standards, strengthened handling and issuance procedures, and developing technologies such as biometrics. In addition, over the last twelve months, ATU has conducted three sub-regional workshops to combat the use of fraudulent or counterfeit travel documents. These workshops provided forum for sharing of forensic and other practical information and enhancing regional and cross-border co-operation related to the prevention of travel document abuse.

To address specific terrorism threats, ATU organized an OSCE-wide Technical Experts Workshop on Countering the MANPADs (Man Portable Air Defence Systems) Threat to Civil Aviation at Airports. The workshop bolstered national efforts to address the threat that shoulder-fired missiles pose to airports. Responding to participating States' concern over

unsecured radioactive materials, ATU initiated a series of working level meetings with the International Atomic Energy Agency (IAEA) to explore areas where the OSCE might complement IAEA work in this area.

Strengthening information exchange on counter-terrorism assistance programmes and capacity building is key to strengthening national efforts against terrorism. Following a December 2003 Ministerial Decision calling for the establishment of an OSCE Counter-Terrorism Network (CTN), ATU in February 2004 established, and has since maintained, an Internet-based network that facilitates information flow between delegations of participating States, counter-terrorism officials in capitals and the OSCE Secretariat. The Unit has published monthly CTN Newsletters since February. In addition to lending themselves to the Network, OSCE participating State delegations have provided the CTN with national points of contact in 44 OSCE capitals. The CTN includes 10 OSCE partner States, 16 international organisations, all OSCE Institutions, and all 18 Field Operations. ATU also maintains an official Website (www.osce.org/atu) containing not only information about OSCE anti-terrorism programmes but also links to other organisations and partners in the fight against terrorism.

Finally, in response to participating States' concern that overlap and duplication be avoided in counter-terrorism efforts, ATU over the past year convened 5 meetings of the Anti-Terrorism Task Force. To further ensure that our programmes do not duplicate but complement non-OSCE projects, ATU completed and updated the first region-wide inventory of all (OSCE and non-OSCE) counter-terrorism, border security and law enforcement assistance programmes. This inventory is now serving as a guide for OSCE programme and project planners.

Combating trafficking in human beings

In 2004 the OSCE enhanced a cross-dimensional approach in respect to all its activities related to combating trafficking in human beings. In May 2004, in accordance with the Maastricht Ministerial Decision, the CiO appointed Dr. Helga Konrad as the OSCE Special Representative on Combating Trafficking in Human Beings. The Special Representative has helped to pursue a geographical balance in addressing trafficking in human beings throughout the OSCE area, and especially in the countries of destination. The efforts undertaken by the Special Representative have facilitated co-operation among participating States, provided practical assistance in the implementation of the OSCE Action Plan to Combat Trafficking in Human Beings, and stimulated co-operation between the OSCE and other International Organizations active in this issue. The Special Representative has initiated the creation of the "Alliance against Trafficking in Persons" - a close partnership with international actors (CE, UNODC, UNICEF, ILO, UNHCHR, UNHCR, IOM) and NGOs (Terre des Hommes, Save the Children, Anti-Slavery International, etc.) - as a series of high level, as well as expert level meetings, with a view to further develop joint strategies and to provide all 55 participating States, plus Asian and Mediterranean Partners for Co-operation with harmonized responses to trafficking in human beings. The results of these meetings will be presented to participating States in June-July 2005.

Country visits, undertaken by the Special Representative at the invitation of more than twenty governments, raised the level of attention to this issue, unveiled the real problems being faced by participating States and vitalized the dialogue between authorities and civil society. Participation of the Special Representative in various high level international fora on the issue of trafficking in human beings raised the visibility of the OSCE and was helpful in

promoting human rights approach as a basis for anti-trafficking activities of the international community.

In October 2004, the Anti-Trafficking Assistance Unit (ATAU) was established within the OSCE Secretariat for the purpose of rendering support to the activities of the participating States, Special Representative, Chairman in Office and Secretary General in their endeavors aimed at combating trafficking in human beings. The Unit was also contributing to enhancing co-operation and coordination between the OSCE Institutions and structures in this field. The ATAU took an active stand in organizing, together with the Special Representative, the meetings of international experts "Alliance against Trafficking in Persons". The ATAU, being a focal point for the OSCE anti-trafficking coordination and liaison with other relevant regional, sub-regional, national and international organizations, served as a source of advice and expertise to the delegations of participating States. It has established close interaction with the ODIHR and such structures as the SPMU and the OCEEA, who were actively implementing relevant provisions of the OSCE Action Plan. In addition, the Unit started rendering assistance to the OSCE field presences and works in close co-operation with them.

Policing

The OSCE Strategy to Address Threats to Security and Stability in the 21st Century emphasizes the role of the Strategic Police Matters Unit in improving the capacity of participating States to address threats posed by criminal activity and to assist States in upholding the rule of law.

The Police Assistance Programme for Kyrgyzstan, comprising eight technical and community projects, which began implementation in July 2003 is progressing well and is due for completion by July 2005. The Kyrgyz Presidential Administration continues to relate the outputs of the programme to its long-term police reform plans. In Kazakhstan, the SPMU has provided technical assistance to support the Ministry of Internal Affairs' transition to intelligence-led policing, and has started discussions on developing new initiatives focusing on community-based policing and basic recruit training. In Armenia and Azerbaijan, Needs Assessment Missions have been completed and have resulted in the formulation of specifically-designed Police Assistance Programmes for each country respectively. In Georgia, the SPMU is preparing to launch a Needs Assessment Mission designed to ascertain the basis for a future Police Assistance Programme.

The SPMU continues to substantially contribute to the follow-up work of the Ohrid Process with regard to border-policing needs in the SEE States. One of the recommendations from the recently ended Phase I of the OSCCP was the need for assistance in implementing the different agreements drafted during this phase. Phase II will focus on the operational level of the seven-State Border Police, and assistance from the SPMU is foreseen regarding criminal intelligence, criminal investigations and development of risk analysis.

The SPMU has sought to complement the work already being undertaken by the OSCE to combat trafficking in human beings, by beginning to develop a range of investigative strategies for police agencies, which will focus on offenders and evidence gathering, as an alternative to relying on victim testimony alone. Furthermore, trafficking in human beings involves a range of other serious offences, e.g. illegal immigration, forgery, corruption, and money laundering. All of these provide other opportunities for intelligence gathering, initiating investigations and corroborating testimonies in order to prosecute traffickers. A

Needs Assessment on Police Training, based on the work of the OSCE Spillover Monitor Mission in Skopje, has been conducted in Moldova aimed at strengthening police capacity in combating trafficking in human beings.

In July 2004, the SPMU organized a two-day workshop in Vienna for police experts on the subject of investigating sexual crime. The workshop brought together over 60 police investigators, representing over 20 European and Central Asian countries, as well as a panel of distinguished experts. The workshop provided a valuable opportunity to share acquired knowledge in the field of sexual crimes and was the first of what will become a series of workshops organized throughout the OSCE region.

Economic and environmental dimension

The importance of the OSCE's involvement in the Economic and Environmental Dimension grew further in 2004. Following the adoption of the OSCE Strategy Document for the Economic and Environmental Dimension at last's year Ministerial Council, the Secretariat has engaged in a number of activities with a view of implementing the document in the areas of economic co-operation *inter alia* on good governance, SME development human capacity building and sustainable development.

The Secretariat assessed the recommendations made at the 12th OSCE Economic Forum and suggested concrete follow-up in the fields of SME development, investment, human capacity building, economic integration and anti-corruption. Two Preparatory Seminars for the 12th Economic Forum were held: one on "Stimulating Foreign and Domestic Investment" in Dublin in February 2004, the other on "Professional Skills Needed for Developing a Market Economy" in Bishkek in March 2004. In co-operation with the incoming Slovenian Chairmanship preparations were also started for the 13th Economic Forum, entitled "Demographic Trends, Migration and Integrating Persons belonging to National Minorities: Ensuring Security and Sustainable Development in the OSCE area" to be held in Prague in May 2005. The first preparatory seminar was held in Trieste (Italy) in November 2004.

In response to the recommendations of the 11th OSCE Economic Forum and the provisions of the OSCE Action Plan to Combat Trafficking in Human Beings, the Anti-Trafficking Programme on Public-Private Co-operation in the Prevention of Trafficking in Human Beings (ATP) aims at addressing both the demand and supply side of trafficking in human beings. First activities under the programme were launched in Albania, Azerbaijan, Bulgaria and Romania.

A Manual on Best Practices in Combating Corruption has been launched. Through focus on the latest anti-corruption practices around the world it is intended to serve as a resource tool for legislators, public officials, media organisations and NGOs. It is currently available in English and Russian and has been translated into Albanian, Uzbek and Serbian in the course of 2004.

Following an initial assessment, Environmental and Security Initiative (ENVSEC) has identified a number of specific environmental issues warranting international action. Reports on environment and security concerns in South Eastern Europe and South Caucasus were prepared and monitoring of the situation in the Ferghana Valley has begun. In 2004, NATO associated itself to the Initiative.

The Office of the Co-ordinator of Economic and Environmental Activities (OCEEA) has continued its activities in river monitoring, especially on the rivers Chu and Talas (between Kazakhstan and Kyrgyzstan) the Sava River (among Slovenia, Croatia, Bosnia and Herzegovina and Serbia and Montenegro), and the river Dniestr between Ukraine and Moldova.

On combating money laundering and the financing of terrorism (MLFT), OCEEA and the UNODC Global Programme against Money Laundering continued to support participating States in their efforts to combat MLFT, in particular through a regional Conference on "Co-operation for Anti-Money Laundering and Combating the Financing of Terrorism" held in Tirana, Albania, in January 2004, and a national workshop on combating MLFT held in Georgia in November 2004.

In line with the provisions of the OSCE Strategy Document for the Economic and Environmental Dimension adopted last year at the Maastricht Ministerial Council an agreement was reached on the Memorandum of Understanding between the Secretariat of the OSCE and the Secretariat of the UN ECE. The Memorandum is a result of an intensive and transparent negotiation process and it will undoubtedly contribute to further strengthening of our co-operation and co-ordination with the UN ECE.

Raising public awareness of the OSCE

The Press and Public Information Section launched a new full-color OSCE Magazine, replacing the nine-year-old OSCE Newsletter. The magazine's attractive format, graphics and design are an ideal complement to the improved quality of articles written by a broader range of contributors. The substantial upgrade in form and content has drawn a wider readership within the OSCE community as well as among the Organization's major target audiences. The publication is available in English and Russian in both printed and online versions.

The OSCE website was redesigned in 2004 ahead of a planned re-launch in early 2005, aimed at attracting a wider target audience and making information about OSCE activities easier to find. In addition to clear and consistent navigation, the new website will have a powerful search engine. The documents library was digitized in co-operation with the Prague Office, Conference Services and Records Management to improve the on-line availability of OSCE documents.

Management reform

Last year the OSCE Secretariat significantly progressed in implementing major management reform aimed at increasing the Organization's capacity to turn policy decisions into concrete operations with speed and flexibility, while improving cost-efficiency, transparency and accountability to participating States. The Organization is now better prepared and equipped to support the participating States, the Chairmanship and its Fund Managers in dealing with day to day operational issues as well as in converting political decisions into action.

At the heart of the management reform is the Unified Budget process – which is a core tool for the Permanent Council in directing and controlling the work of the OSCE. While mandates determine general directions for the OSCE's work, the Unified Budget outlines concrete annual objectives and outputs for OSCE programmes. Following the adoption of PC Decision 553 on the OSCE's Unified Budget Process, which endorsed the principle of

programme budgeting, the 2004 and 2005 Budget proposals were presented in a new format, clearly linking programme objectives to programme resources.

The newly developed management system calls for assigning clear individual responsibilities, corresponding approval authorities and lines of accountability. Accordingly, the entire regulatory framework has been remodeled to reflect streamlined operational requirements and simplified work processes while retaining the primacy of political decision-making. Subject to the approval of the Financial Regulations, the new common regulatory management framework has been introduced throughout the Organization.

To deliver best practice in the management processes, the OSCE has introduced a modern ICT-based management system called IRMA (Integrated Resources Management System), a tool that allows the integrated management of all OSCE activities from setting operational objectives and planning strategy to mobilizing and managing resources and reporting on progress to participating States.

To ensure that senior managers have the necessary tools and information to deliver their mandates, the IRMA Dashboard has been introduced throughout the OSCE. Through the Dashboard, IRMA provides OSCE managers with real-time information on the resources available and facilitates the use of these resources through a simple system-supported recruitment and procurement application. IRMA is independent of location and OSCE managers can operate it with the help of a simple laptop that is connected to mobile communication systems.

Similarly, to ensure accountability to participating States and to allow OSCE delegations access to reliable, on-line and up-to-date information on operational activities and management issues, the Delegates Website has been improved and linked to a specifically developed Dashboard for Delegations. The Delegates Website is an essential component of the roll-out of IRMA and the OSCE documents management system known as Doc.In. It provides a common and secure platform that connects participating States with the Secretariat, Institutions and Field Operations.

Despite tight timeframes and ambitious goals, the implementation of the IRMA project has been on time, on target and on budget. As initially planned, the roll-out of the finance module started in January 2004, followed by budget, human resources, inventory and payroll modules in the course of this year.

Extensive IRMA training has been provided to both administrative and programme staff in the Secretariat, Institutions and Field Operations. Since the commencement of the project in January 2004, over 1200 attendees have taken part in an IRMA training.

The investment into IRMA and Doc.In amounted to a total of Euro 7.5 million, while substantial savings can be achieved through streamlined management processes. Moreover, these savings can be made along with significant increase of transparency and accountability of the OSCE management system.

The success of our management reforms will provide the OSCE with a civilian rapid deployment capacity, enabling participating States to react quickly to new political challenges. Both former External Auditors from Sweden and the current External Auditors

from the UK National Audit Office have commended our management reforms and have given a clean bill of health for four years running. OSCE management reforms have also attracted the attention of partner organizations such as the UN and the EU.

In 2005, the Secretariat intends to focus on consolidating the reforms, increasing their acceptance among OSCE staff and making sure that the new management philosophy takes root in the Organization.

The Secretariat has closely followed and supported the activities of the Working Group on Reform. I have promoted and supported the process of clarifying and strengthening the role of the Secretary General which has resulted in a draft MC decision. I also contributed to a discussion on re-structuring the Secretariat in order to adapt it to recent political discussions and contemporary priorities.

Human resources management

The Department of Human Resources (HR) has been actively involved in the development and implementation of IRMA components related to human resources activities. The primary mechanism for recruitment of seconded staff for field operations (REACT) has been successfully linked to IRMA, while preserving the complete functionality of the original system and ensuring the rapid deployment of personnel for possible future large-scaled operations. The implementation of the IRMA HR module has enabled personnel administration to be streamlined. All employee data is now stored in one system. Furthermore, the interim automated payroll system has also been implemented across the OSCE.

For contracted posts in the Secretariat, Institutions and Field Operations, a web-based recruitment system under IRMA has been implemented, allowing candidates to apply online and speeding up the recruitment process. To illustrate this it is worth noting that 96 vacancy notices for contracted positions were issued in 2004. For these posts 8,000 applications were processed. A total of 374 candidates were invited for 61 interview rounds. Special consideration has been given to include candidates from currently underrepresented countries. Within the same period 3,800 nominations for 560 seconded field positions were received and screened.

In other HR related developments in 2004 all together more than 450 posts have been reviewed and classified. As a result of tendering procedure, a contract with the Provident Fund manager has been renegotiated and the administration of the contract was simplified. Personnel Section was also closely involved in the work related to setting up of methodology for establishing OSCE local mission salary scales.

The regular Induction Programme for new mission members was expanded into a new General Orientation Programme (GO) not only for new mission personnel, but for internationally recruited staff at the Secretariat and Institutions as well. Its two-phase approach consists of a general induction into the Organization followed by a second phase of function-specific orientation. The launch of the GO Programme coincided with the IRMA rollout in early 2004. Approximately 400 staff were trained through the GO Programme in 2004.

Training has increased in quantity and quality. OSCE-wide training activities have been facilitated through the network of Training Focal Points in all OSCE field activities and Institutions steered by the OSCE Training Co-ordinator. The Training Section continued to offer tailor-made training seminars in Vienna mainly targeting Secretariat staff but also Heads of Mission, mission personnel and, in certain cases, Delegations. This year also saw the approval of the OSCE Training Strategy for the period 2005-2007 (PC.DEC/627), which stipulates an increased support by the OSCE Training Section to relevant pre-mission training programmes and Training Institutions in participating States. It tasks the Secretariat to organize regular exchanges with national training and recruitment experts. In compliance with the above training strategy, active support to the participating States who are implementing the training dimension of REACT has increased. The first Conference on training and recruitment was convened in November 2004. The meeting served its main purpose of receiving feedback from national counterparts on how the OSCE Secretariat can maximize its support to pre-mission training programmes, to facilitate co-operation among participating States in the field of pre-mission training and to keep recruitment experts in participating States abreast of ever-changing OSCE field requirements.

Following the adoption of the Staff Regulations and Rules, Legal Services has been active in the establishment of the Panel of Adjudicators which will hear final appeals from fixed-term staff and mission members. The Panel will commence hearing appeals in the New Year.

As noted in last year's report, the lack of legal capacity and privileges and immunities in most participating States continues to be a source of difficulties for the smooth operation of the OSCE. In particular, the granting of legal capacity in each participating State would enable easier implementation of agreements and contracts and provide better protection for Heads of Missions, while the provision of privileges and immunities would ensure adequate legal protection of OSCE staff.

Gender issues

One of the central activities in the area of gender issues is the revision of the existing Action Plan for Gender Issues. The Senior Adviser on Gender Issues has continuously assisted the Informal Working Group on Gender Equality and Anti-Trafficking in the process, which resulted in the adoption of the PC decision 638 on the 2004 Action Plan for the Promotion of Gender Equality. The Guide for OSCE Staff on Gender Aspects in Post-Conflict Situations from 2001 has been up-dated in order to continue to serve as a reference document for Missions in their gender related work. Also, the Secretariat has, in co-operation with ODIHR, organized a workshop in Vienna for all Mission Focal Points for Gender Issues. The annually conducted workshop has contributed to an exchange of experiences and achievements, as well as to the strengthening of the capacity for gender mainstreaming. Furthermore, the Secretariat supports the practical process of gender mainstreaming implementation by developing a practical toolkit on how to consistently integrate a gender perspective in project development at field level.

In 2004 the Secretariat has continued to promote and monitor compliance with the professional working environment policy. It has developed a practical guide for staff members that outlines step-by-step the procedures to follow when subjected to or accused of violation of the policy. In addition, the Secretariat organized a roundtable for the Mediators from Missions and Institutions, and with their co-operation developed terms of references for

Mediators, as well as recommendations for the revision of the policy currently undertaken by the Department for Human Resources.

In order to raise awareness and build capacity for integrating gender aspects into the work of Missions, the Senior Adviser on Gender Issues has organized and carried out a series of Mission staff trainings on gender mainstreaming, human rights of women, trafficking in human beings and the Code of Conduct for the Presence in Albania, the Mission to Serbia and Montenegro, the Mission to Moldova, the Centre in Bishkek and the Centre in Almaty.

Internal Oversight

In the past year great strides have been made in re-engineering and professionalising the office of Internal Oversight. Staffed with certified auditors whose expertise encompass a wide range of audit work, Internal Oversight has become an important tool in monitoring compliance with the regulatory framework, and in providing assurance on adequacy of internal controls throughout the organization.

In using best practices Internal Oversight relies on risk assessment methodologies to develop its audit workplan. The 2005 plan takes into account not only risks associated with activities and operations but also considers the priorities of the organization as well as the need to balance the audit work among the Field Missions, the Institutions, and the Secretariat. Emphasis in 2005 will also be given to follow up on implementation of previous audit recommendations to ensure that they are effectively addressed by management.

The function of oversight, both internal and external, can be strengthened by the establishment of an Audit Committee. Earlier this year I proposed to the Permanent Council the Terms of Reference for such a Committee. It is encouraging to observe that progress is being made to establish an Audit Committee in the near future.

Co-operation with other international organizations

The Secretariat has continued to strengthen links - at all levels - with partner organizations, in line with the Platform for Co-operative Security and the OSCE Strategy to Address Threats to Security and Stability in the Twenty-First Century.

In July 2004 the OSCE took an active part in the UN Security Council meeting with regional organizations on the theme "Co-operation between the United Nations and regional organizations in the stabilization processes". On the invitation of the UN, the OSCE, together with the EU and NATO, participated in a meeting which provided for an exchange of views on the way forward in Kosovo. The OSCE is also an active participant in the follow-up process to the 5th High-level meeting between the UN and regional organizations.

Relations between the OSCE Secretariat and the EU have continued to deepen in 2004. It was only a few weeks ago that the second regular staff meeting was hosted by the European Commission in Brussels, with the participation of representatives of the OSCE Secretariat and Institutions, as well as the General Secretariat of the Council of the EU. Exchanges of information with the EU now take place regularly, through a variety of means, including video conferences.

Over the past year, relations with the Council of Europe have been especially dynamic. The Secretariat actively supported the joint initiative of the Bulgarian and Norwegian Chairmanships to launch a mechanism for enhanced co-operation between the two organisations. The result is the creation of the joint OSCE/CoE Co-ordination Group pursuant to decision 637 of the Permanent Council adopted on 2 December 2004, which will feature representatives of participating/member States on both sides, providing strategic guidance to and lending an amount of political leverage to the process of co-operation.

Consultations with NATO have also continued at all levels. The regular staff meetings with NATO now include discussions on terrorism, border management and security, disarmament, small arms and light weapons, implementation of confidence- and security-building measures, as well as issues related to regional concerns and our respective dialogue with the Mediterranean Partners.

In 2004, the regular high-level Tripartite Meeting, between the Council of Europe, the OSCE, and the UN, as well as the General Secretariat of the Council of the EU, the EC, the ICRC, and the IOM, and the Target oriented meeting, at expert level in an expanded Tripartite format, were hosted by the OSCE, in Vienna. The Tripartite meeting was devoted to “Addressing Threats to Security and Stability in the 21st Century and Co-operation in the Field”, while the Target oriented meeting considered “Activities of, and Co-operation Between Partner International Organizations in the Southern Caucasus”.

The Secretariat has also supported the Chairmanship on conducting a series of consultations with partner organizations at the level of headquarters on an *ad hoc* consultative mechanism.

Throughout the year co-operation between the OSCE and other regional and sub-regional organizations, both within the OSCE area and beyond, was strengthened. Direct contacts have been established with the CIS and CSTO as well as with the Shanghai Co-operation Organization (SCO). In January 2004 the Secretary General took part in the opening of the SCO Secretariat in Beijing. The OSCE has also been invited to high-level events, including summit and ministerial meetings, by regional and sub-regional organizations, such as the Central European Initiative, the Organization of Islamic Conference and African Union.

Mediterranean and Asian Partners for Co-operation

In co-operation with the OSCE Troika, the Secretariat continued to strengthen relations with the Mediterranean and Asian Partners for Co-operation. This year, an OSCE - Japan Conference that took place in Tokyo, focused on the “Search for Conflict Prevention in the New Security Circumstances — European Security Mechanisms and Security in Asia”. The annual OSCE Mediterranean Seminar that took place in November in Sharm-El-Sheikh, Egypt, discussed co-operative security, tolerance and migration, against the backdrop of deeper interaction between the OSCE and the Mediterranean Partners. Both events were very well attended, and contributed to the discussion of further interaction with Partner States.

The need to enhance co-operation with the Mediterranean and Asian Partners has been recognised in the Permanent Council Decision 571. In the OSCE Strategy on Addressing Threats to Security and Stability in the Twenty-first Century, the participating States were also tasked to identify additional fields of co-operation and interaction with the Partner States for the purpose of enhancing mutual security, and to encourage them to voluntarily implement OSCE norms, principles and commitments as a means to further interaction with

the OSCE. As part of this process, the Section for External Co-operation has provided support to the Informal Group of Friends for Implementation of Decision 571, which made a number of concrete recommendations.

The OSCE has welcomed Mongolia as a new Asian Partner for Co-operation following the adoption of a respective Permanent Council decision on 2 December 2004. The participation for the first time of the Foreign Minister of Mongolia, H. E. Tsend Munkh-Orgil in the OSCE Ministerial Council confirms the importance attached by his country to forging relations with the Organization and to sharing expertise and experience on issues of mutual interest.

Election support to Afghanistan

After the adoption of PC decision 622 on sending an Election Support Team to Afghanistan, in a very short period during the summer recess a complex operation was successfully mounted based upon sound and thorough planning. That the OSCE was able to field over 40 people in a challenging environment and carry out an effective operation while ensuring staff security, is a tribute to the operational effectiveness of the Organization, particularly the Secretariat.

The success of EST in Afghanistan proved that the OSCE structures are able to react quickly to new tasks when a clear mandate and necessary resources are available.

Conclusion

In conclusion, I would like to thank all OSCE participating States, the Chairman-in-Office, Minister Solomon Passy, Ambassador Petrov and the Chairmanship teams in Vienna and Sofia for their co-operation over the past year. As this is my last report to the Ministerial Council, I would like also to express my gratitude to all previous Chairmanships with which I had the privilege to co-operate, and to the participating States for their support. My sincere thanks goes to the international and local staff of the OSCE for their dedicated work and professional attitude which is so crucial for the success of this Organization. I am leaving the OSCE convinced that it is now well equipped to be even more instrumental in paving the way for security and stability through co-operation and to address the challenges in an effective and efficient manner.

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