

Message from the Secretary General

2006 was a year of consolidation for the OSCE after the celebration of thirty years of the Helsinki Final Act in 2005. Across the three continents within the OSCE area, we made small steps and took great strides – each was important in equal measure in working for stability, prosperity and democracy in 56 States through political dialogue about shared values and through practical work that makes a lasting difference. This is the mission of the OSCE.

This OSCE Annual Report, in a new design, provides the occasion to highlight the commitments that make up the OSCE and shows the practical measures taken toward their implementation. The OSCE has a good story to tell.

Telling this story, however, is no easy task, as much of the time the OSCE works behind the scenes. And when we are successful, it is in ways that go unnoticed. The Organization, through all of its units, field operations and institutions, is engaged to prevent and settle conflicts and crises, guided by persistence and patience. Our task is to create positive momentum, to launch virtuous circles through many steps that coalesce to produce changes in attitudes, cultures and institutions.

However difficult it may be to relate our story, it is worth telling. Two examples can be highlighted from the Annual Report. First, the OSCE has become a reference point for its participating States, which resort to it at the most delicate junctures in the life of their countries. In 2006, the OSCE played a vital role in ensuring the peaceful birth of the Republic of Montenegro, the Organization's 56th participating State. Also this year the OSCE led an eleven-day Environmental Assessment Mission to the fire-affected territories in and around the Nagorno-Karabakh region. We hope this unprecedented mission will lay the groundwork for further confidence building in and around this conflict area.

And, of course, in so many different ways, the 19 field operations were active in promoting the Organization's comprehensive approach to security with host countries acting to promote the implementation of OSCE commitments across the three dimensions: politico-military, economic and environmental and human.

Thanks to the guidance of the Belgian Chairmanship, the OSCE also focused in 2006 on responding to the difficult challenge of organized crime. The problem of organized crime crosses all three dimensions, and places a premium on maximum co-operation and co-ordination among participating States, among agencies inside States and among international organizations. Our co-operation also pays tribute to the unique role that the OSCE can play in tackling complex challenges, by generating innovation and partnership across 56 States and three security dimensions. In this, the OSCE has a real role to play. We will take this forward in 2007.

I would note also that 2006 saw the Organization taking action for building co-operation for combating illicit drugs. As Secretary General, I was directly involved in the implementation of the Ljubljana Ministerial Decision No 5 and my office organized the joint OSCE-UN Office on Drugs and Crime workshop on combating the threat of drugs that was held in October.

The OSCE also turned a corner this year in strengthening its effectiveness. In 2006, together with my team and other relevant departments and units, I worked to assist the Chairmanship with the implementation of the Ljubljana 'roadmap' decision on *Strengthening the Effectiveness of the OSCE*. In my capacity as *chef de file*, I supported the Chairmanship in developing working papers on a variety of issues related to extra-budgetary financing, programme planning and professionalism of OSCE personnel. The decisions taken by participating States throughout 2006 and during the Brussels Ministerial Council have set us on a clearer course with a better sense of direction.

Also in 2006, I was very pleased to lead the development of Performance Based Programme Budgeting. This was piloted in a number of funds and refined on the basis of this experience. This process was co-ordinated by the Department of Management and Finance, members of executive management, the Conflict Prevention Centre and the Department of Human Resources. After a thorough review in late 2006, participating States endorsed the full and gradual roll-out of Performance Based Programme Budgeting throughout the entire Organization.



In 2006, I considered it central to my responsibilities to act as the focal point for supporting the Chairmanship as well as for proper and efficient co-ordination within the Secretariat and among institutions. In this context, I would mention that a number of 'cluster meetings' were organized on substantive topics such as combating organized crime, illicit drugs and anti-trafficking. Those meetings brought together all relevant substantive units of the Secretariat as well as, when necessary, representatives of field operations and institutions.

One of my tasks as Secretary General is to explain to a wider public the nature and the value of this Organization in the 21st century. In 2006, I was pleased to take every occasion during my bilateral visits and in my discussions with officials, journalists and students throughout the OSCE area to emphasize our main message: that shared beliefs about co-operation and security lie at the core of the OSCE, and they act as the compass guiding the behaviour of participating States. We should rightly take pride in our achievements, but we should also realize our responsibility to live up to the aspirations and words of the commitments to which we have all agreed.

The OSCE institutions, units and field operations are there to assist States in this process. This Annual Report highlights the range and depth of the OSCE's work and will, I hope, draw the attention of a wider audience to the often unsung remarkable achievements of our unique Organization.

A handwritten signature in black ink, which appears to read "Alexander Nitzsche". The signature is written in a cursive, flowing style.