

early warning
conflict prevention
crisis management
post-conflict rehabilitation
human rights
democratization
confidence-building measures
arms control
preventive diplomacy
security-building measures
election monitoring
police training
freedom of the media
anti-trafficking
protecting national minorities
economic and environmental security
action against terrorism
institution-building
border monitoring
building civil society



OSCE PARTICIPATING STATES

Albania | Andorra | Armenia | Austria | Azerbaijan | Belarus | Belgium
Bosnia and Herzegovina | Bulgaria | Canada | Croatia | Cyprus | Czech Republic
Denmark | Estonia | Finland | France | Georgia | Germany | Greece | Holy See | Hungary
Iceland | Ireland | Italy | Kazakhstan | Kyrgyzstan | Latvia | Liechtenstein | Lithuania
Luxembourg | the former Yugoslav Republic of Macedonia | Malta | Moldova | Monaco
Netherlands | Norway | Poland | Portugal | Romania | Russian Federation | San Marino
Serbia and Montenegro | Slovakia | Slovenia | Spain | Sweden | Switzerland | Tajikistan
Turkey | Turkmenistan | Ukraine | United Kingdom | United States of America | Uzbekistan

PARTNERS FOR CO-OPERATION

Afghanistan | Japan | Republic of Korea | Mongolia | Thailand

MEDITERRANEAN PARTNERS FOR CO-OPERATION

Algeria | Egypt | Israel | Jordan | Morocco | Tunisia

2004

Annual Report on OSCE Activities

KEY EVENTS IN 2004

- >> The OSCE deploys its largest election observation mission ever, with more than 1,200 monitors who observe the repeat of the second round of the presidential election in Ukraine.
- >> For the first time in its history, the OSCE sends an election team outside its region: the Election Support Team to Afghanistan advises the country's election authorities on their electoral framework.
- >> A major management reform overhauls the OSCE's internal structure and procedures.
- >> The 55 participating States engage in a lively debate about the relevance and future of the OSCE and take steps to transform and strengthen the Organization.
- >> Three major conferences focus on combating anti-Semitism, intolerance and racism.
- >> The Chairman-in-Office appoints a special representative to strengthen the fight against human trafficking.
- >> Mongolia is accepted as a new OSCE Partner for Co-operation.

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MESSAGE FROM THE SECRETARY GENERAL, JÁN KUBIŠ

This is the last OSCE Annual Report that I will have the honour of presenting since my term as Secretary General expires in June 2005. I am proud to have served the OSCE for more than a decade and to have played a part in implementing the Organization's mandate to promote security through co-operation between equal partners across Europe. This report is a testament to the important work that the OSCE continues to carry out in the name of comprehensive security, democracy, human dignity and peace. It also rightly highlights the valuable work of our professional and dedicated staff in the field, the Secretariat, and the Institutions, and demonstrates to a broader audience the often unsung achievements of this unique and remarkable Organization.

The year was a challenging one for the Organization. The OSCE continued to serve as a forum for addressing some of the most topical European political and security issues of the day. 2004 began with the repeat presidential election in Georgia and ended with the re-run of the second round of the Ukrainian presidential election. Both events were observed by the OSCE, as were 13 other elections throughout the year. They demonstrated again the Organization's importance as an election monitoring instrument.

However, the year also brought into the foreground some fundamental questions concerning the future of the Organization. There are differences of opinion on the functioning, effectiveness and relevance of the Organization in a number of areas and on some key issues within the OSCE.

Many OSCE countries have spoken about the need for transforming the Organization. Our Chairman-in-Office, Solomon Passy, championed the cause and challenged participating States to introduce sweeping reforms. One step was to clarify and strengthen the role of the Secretary General – powers which I hope my successor will make full use of. Another was to establish a Panel of Eminent Persons on Strengthening the Effectiveness of the OSCE, which will make recommendations in 2005. Discussions on reforming field activities and other aspects of the OSCE – such as our rules of procedure – continue. All this will influence the work of the OSCE in 2005, when we will be celebrating the 30th anniversary of the Helsinki Final Act and the 15th anniversary of the Charter of Paris for a New Europe.

The year 2004 witnessed increased attention to border-related issues, a strong emphasis on combating trafficking in human beings, intolerance and discrimination, and the adoption of a Gender Action Plan.

Our ability to work effectively was enhanced by the introduction of the integrated resource management system, known as IRMA. For a relatively modest amount of money, we have put in place a system that allows us to effectively manage our material and personnel resources, provides transparency and accountability to



OSCE/Svetoslav Stancev

participating States – our stakeholders – and allows us to quickly and flexibly transform political decisions into action.

The OSCE broadened its outreach in 2004. In September, we sent an Election Support Team to Afghanistan to assist the Afghan authorities in that country's major step towards a representative and pluralistic democracy. Because this was the first time the OSCE launched such an operation on the territory of one of its Partners for Co-operation, it receives special attention in this report. We continued our close co-operation with Mediterranean and Asian Partners for Co-operation and welcomed Mongolia as the newest Partner. We also strengthened co-operation with other regional and sub-regional organizations, such as the Shanghai Co-operation Organization or the Organization of the Islamic Conference. It is encouraging to see the level of interest that people outside of the OSCE area have for our Organization.

The OSCE is at a turning point. What happens in 2005 in the area of reform will very much determine the attitude that participating States will adopt towards the OSCE in the future. Finding the right path which would fully preserve and reinforce the basics and *acquis* of the Organization may be difficult, but that is a reflection of the changes in Europe at the moment, especially after European Union and NATO enlargement. Europe is in transition: it is only logical that the OSCE should also be transformed and remain attuned to the political desires, interests and objectives of its participants.

Throughout its history, the OSCE has demonstrated its creativity, flexibility, and ability to effectively tackle some of Europe's more complex and salient security challenges. This period of change should be no exception.

I will miss the OSCE, but I am confident that it has a bright future. I leave in the knowledge that the Organization is dynamic, adaptable, administratively in order and well-equipped to serve the interests of its participating States.

I take this opportunity to thank the participating States for their support, and I salute all OSCE staff for their excellent work. Through the words and pictures of this report, I hope that you, the reader, will gain a better appreciation of an organization which, day-in and day-out, demonstrates the importance and practical value of co-operative and constructive multilateralism.

Ján Kubiš

The OSCE at a glance

Spanning the area from Vancouver to Vladivostok, the Organization for Security and Co-operation in Europe (OSCE) is the world's largest security organization. It is characterized by its broad membership of Euro-Atlantic and Eurasian States, its co-operative and comprehensive approach to security, its special conflict prevention instruments, its established tradition of open dialogue and consensus-building, and its well-developed pattern of co-operation with other international organizations. At the heart of the Organization's work lies its large, operational network of field missions.

From a conference to an organization

The OSCE evolved out of a meeting process that started in the early 1970s. Back then, an intense series of diplomatic negotiations began on the issue of security and economic co-operation in Europe. In 1973, during the Cold War, the Conference on Security and Co-operation in Europe (CSCE) was created to serve as a continuous multilateral forum for dialogue and negotiation between East and West.

In 1975, 35 Heads of Government or State signed the CSCE Final Act in Helsinki. This event, which represented a breakthrough for East-West relations, served as the foundation of the 'Helsinki Process', which became the main forum for political consultation and negotiation on a comprehensive set of issues, including questions of human rights during the Cold War.

Until 1990, the CSCE functioned mainly as a series of meetings and conferences that built on and extended the participating States' commitments. However, with the Cold War coming to an end, the Paris Summit of November 1990 set the CSCE on a new course. In the Paris Charter for a New Europe, the CSCE was called upon to respond to the new challenges of the post-Cold War period. In addition, a major arms control agreement, the original Conventional Forces in Europe (CFE) Treaty, as well as other important military security accords were adopted.

In the early 1990s, the Secretariat and the first Institutions were set up, missions were established, and the Conference's work became more structured. By the mid-1990s, the CSCE was no longer a process – it had become an organization. As a result, the CSCE was renamed the 'Organization for Security and Co-operation in Europe' with effect from 1 January 1995.

Today, the OSCE has 55 participating States, with 11 countries in the Mediterranean region and Asia as its Partners for Co-operation. In 2004, the Annual Budget amounted to €180,832,700. The Organization has no legal status under international law. Thus, all decisions taken by the OSCE are politically though not legally binding.

How the OSCE is run

Overall responsibility for executive action lies with the Chairmanship, which rotates annually. The foreign minister of the country holding the Chairmanship assumes the position of Chairman-in-Office (CiO). In 2004, Bulgaria held the Chairmanship, while the Netherlands (2003 Chairmanship) and Slovenia (2005 Chairmanship) were the other members of the OSCE Troika. In addition, the Chairman-in-Office may appoint Personal or Special Representatives to deal with specific issues or situations.

Summits or meetings of OSCE Heads of State or Government are held periodically. In between Summits, the Ministerial Council meets as the annual meeting of the Foreign Ministers of the 55 OSCE participating States to provide guidance and orientation to the Organization. The Senior Council meets once a year as the Economic Forum in Prague to discuss the economic and environmental dimension.

The Permanent Council is the main regular body for political consultation and decision-making. Composed of the permanent representatives of the participating States, it meets weekly in Vienna to discuss all issues pertinent to the OSCE and to take appropriate decisions. Also convening weekly in the Hofburg,

the Forum for Security Co-operation deals with the military aspects of security, including arms control and confidence- and security-building measures.

Located in Copenhagen, the OSCE Parliamentary Assembly consists of more than 300 parliamentarians from all the participating States with the aim of providing a parliamentary dimension to the activities of the OSCE. It facilitates inter-parliamentary dialogue, while its members also play an important role in election monitoring. The main annual session of the Parliamentary Assembly is held in summer.

The Secretariat of the OSCE is based in Vienna. It is headed by the Secretary General, appointed on a three-year basis. Ambassador Ján Kubiš of Slovakia is currently serving his second term ending in June 2005. The Secretary General acts as the representative of the Chairman-in-Office and supports him in all activities aimed at fulfilling the goals of the OSCE. His tasks include managing the OSCE structures and operations, working closely with the Chairman-in-Office in the preparation and guidance of OSCE meetings, and ensuring the implementation of the Organization's decisions. The Sofia Ministerial Council in December 2004 further strengthened the Secretary General's role by mandating him to support the process of political dialogue and negotiations among participating States.

To help the OSCE fulfil its mission, the Organization established specialized institutions and field operations. While holding three very different mandates, the Office for Democratic Institutions and Human Rights (established in 1990), the High Commissioner on National Minorities (1994) and the Representative on Freedom of the Media (1997) all work towards assisting States to comply with OSCE principles and commitments within the region. Currently, the OSCE has 18 field missions in 16 States with a total staff of around 3,500. Some 77 per cent of the OSCE's funds in 2004 went into field operations, providing a testimony to the Organization's commitment to the field.



OSCE STRUCTURES AND INSTITUTIONS

