



Organization for Security and Co-operation in Europe

B U C H A R E S T

2001

Ninth Meeting of the Ministerial Council

3 and 4 December 2001

Bucharest Ministerial Declaration

**Decision on Combating Terrorism and the
Bucharest Plan of Action for Combating Terrorism**

Statements by the Ministerial Council

Decisions of the Bucharest Ministerial Council Meeting

Reports to the Bucharest Ministerial Council Meeting

Bucharest 2001



Organization for Security and Co-operation in Europe

B U C H A R E S T

2001

Ninth Meeting of the Ministerial Council

3 and 4 December 2001

Bucharest Ministerial Declaration

**Decision on Combating Terrorism and the
Bucharest Plan of Action for Combating Terrorism**

Statements by the Ministerial Council

Decisions of the Bucharest Ministerial Council Meeting

Reports to the Bucharest Ministerial Council Meeting

Bucharest 2001

MC.DOC/2/01
4 December 2001

ENGLISH

TABLE OF CONTENTS

	<u>Page</u>
I. BUCHAREST MINISTERIAL DECLARATION	1
II. DECISION ON COMBATING TERRORISM AND THE BUCHAREST PLAN OF ACTION FOR COMBATING TERRORISM	5
Decision on combating terrorism (MC(9).DEC/1)	7
The Bucharest Plan of Action for Combating Terrorism (Annex to MC(9).DEC/1) ...	8
III. STATEMENTS BY THE MINISTERIAL COUNCIL (MC(9).DEC/2)	15
IV. DECISIONS OF THE BUCHAREST MINISTERIAL COUNCIL MEETING	23
Decision on fostering the role of the OSCE as a forum for political dialogue (MC(9).DEC/3)	25
Decision by the Ministerial Council (MC(9).DEC/4)	28
Decision by the Ministerial Council (MC(9).DEC/5)	29
Decision by the Ministerial Council (MC(9).DEC/6)	30
Decision by the Ministerial Council (MC(9).DEC/7)	31
Decision by the Ministerial Council (MC(9).DEC/8)	32
Decision on police-related activities (MC(9).DEC/9)	33
Decision on the next meeting of the Ministerial Council/Summit (MC(9).DEC/10)	36
Decision by the Ministerial Council (MC(9).DEC/11)	37
Decision on the Concluding Document of the Negotiations under Article V of Annex 1-B of the General Framework Agreement for Peace in Bosnia and Herzegovina (MC(9).DEC/12)	38
Decision on the reappointment by the Ministerial Council of Ambassador Jan Kubis as Secretary General of the OSCE (MC(9).DEC/13/Corr.1)	39
V. REPORTS TO THE BUCHAREST MINISTERIAL COUNCIL MEETING	41
Chairman-in-Office's Activity Report for 2001	43
Letter from the Chairperson of the Forum for Security Co-operation to the Minister for Foreign Affairs of Romania, Chairman of the Ninth Meeting of the Ministerial Council of the OSCE	59
Letter from the Chairperson of the Joint Consultative Group to the Minister for Foreign Affairs of Romania, Chairman of the Ninth Meeting of the Ministerial Council of the OSCE	61
Letter from the Chairperson of the Open Skies Consultative Commission to the Minister for Foreign Affairs of Romania, Chairman of the Ninth Meeting of the Ministerial Council of the OSCE	66

Report by the Co-Chairmen of the OSCE Minsk Group to the Minister for Foreign Affairs of Romania, Chairman of the Ninth Meeting of the Ministerial Council of the OSCE	67
Annual Report on the Implementation of the Agreement on Confidence- and Security-Building measures in Bosnia and Herzegovina (Article II, Annex 1-B, Dayton Peace Accords) and the Agreement on Subregional Arms Control (Article IV, Annex 1-B, Dayton Peace Accords)	68
Report by the Special Representative of the Chairman-in-Office for Negotiations Under Article V of Annex 1-B of the General Framework Agreement for Peace in Bosnia and Herzegovina	72
Letter from the Chairman of the Permanent Council Concerning the OSCE Legal Capacity and Privileges and Immunities	73

I. BUCHAREST MINISTERIAL DECLARATION

BUCHAREST MINISTERIAL DECLARATION

1. We, the members of the Ministerial Council of the OSCE, have met together in Bucharest in a world profoundly affected by the outrageous attack by international terrorists in the United States. These events have generated a new determination among participating States, spanning the OSCE area, to strengthen and deepen our co-operation.
2. We resolutely condemn all acts of terrorism. Terrorism, whatever its motivation or origin, has no justification. No cause can justify the purposeful targeting of innocent people. In the fight against terrorism, there is no neutrality.
3. Reflecting the OSCE's solidarity, the Ministerial Council has adopted today a decision and Action Plan on Terrorism. We reiterate that the struggle against terrorism is not a war against religions or peoples. We reaffirm our commitment to protecting human rights and fundamental freedoms.
4. We are determined to protect our citizens from new challenges to their security while safeguarding the rule of law, individual liberties, and the right to equal justice under law. Organized crime, illicit traffic in drugs and arms, and trafficking in human beings, affect the security, economy and social structure of all participating States. The Ministerial Council supports enhanced efforts and greater international co-operation to combat these challenges, and urges participating States who have not yet done so to become parties to the United Nations Convention Against Transnational Organized Crime and its Protocols.
5. We welcome the review of the OSCE's structures undertaken at the initiative of the Romanian Chairmanship with the goal of strengthening the OSCE's efficiency, and the adoption today of decisions to foster the role of the OSCE as a forum for political dialogue on issues of security and co-operation in Europe. This reinforces our determination to make more effective use of OSCE means and mechanisms to counter threats and challenges to security and stability in the OSCE region. In particular, we have decided to strengthen our co-operation in the economic and environmental dimension and to enhance the OSCE's role in police-related activities; the Permanent Council has taken decisions on the necessary measures so that the OSCE can promote and support them. The Ministerial Council tasks the Permanent Council, through a working group on OSCE reform, to continue consideration of issues related to OSCE reform and report to the next meeting of the Ministerial Council.
6. We reiterate our full adherence to the Charter of the United Nations, and to the Helsinki Final Act, the Charter of Paris, the Charter for European Security and all other OSCE documents to which we have agreed. We reaffirm our determination to fulfil in a timely fashion without exception, all of our OSCE commitments.
7. We remain concerned over the persistence of conflicts in various regions in the OSCE area that threaten the observance of the principles of the Helsinki Final Act in several participating States and may at the same time, threaten peace and stability in the OSCE region. We value the OSCE's important role in early warning, conflict prevention, crisis management, and post-conflict rehabilitation. We pay special tribute to the women and men serving in the OSCE institutions and field operations and commend their dedication and hard work.

8. We affirm our determination to address the threats to security and stability in the 21st century. We request that the Permanent Council develop a strategy for the OSCE to do its part to counter these threats. We request the Forum for Security Co-operation to make its own contribution, within its competencies and mandate.

9. We underline that arms control and confidence-and security-building measures remain a core element of the OSCE's comprehensive approach to security. We are determined to make further efforts within the Forum for Security Co-operation to address common security concerns of participating States and to pursue the OSCE's concept of comprehensive and indivisible security in its politico-military dimension.

10. We take note of the entry into force of the Open Skies Treaty on 1 January 2002. We look forward to the implementation of the Treaty by its States Parties.

11. Together we can meet the challenges we face today. We renew our commitment to close co-operation among ourselves, individually and within the Organization and with our Mediterranean Partners for Co-operation and with Japan, the Republic of Korea and Thailand, as well as between the OSCE and other international organizations, institutions and sub-regional groups, in accordance with the Platform for Co-operative Security.

12. We also renew our commitment to relations founded on sovereign equality, mutual respect, co-operation, and support for democracy. We are determined to build our relations in conformity with the concept of common and comprehensive security, guided by equal partnership, solidarity and transparency. We remain committed to an OSCE community from Vancouver to Vladivostok, whole, free, and at peace, that responds through concerted efforts to challenges to peace and stability.

**II. DECISION ON COMBATING TERRORISM AND
THE BUCHAREST PLAN OF ACTION FOR
COMBATING TERRORISM**

DECISION No. 1
COMBATING TERRORISM
(MC(9).DEC/1)

The 55 participating States of the OSCE stand united against terrorism, a scourge of our times.

The OSCE participating States resolutely condemn the barbaric acts of terrorism that were committed against the United States on 11 September 2001. They represented an attack on the whole of the international community, and on people of every faith and culture. These heinous deeds, as well as other terrorist acts in all forms and manifestations, committed no matter when, where or by whom, are a threat to international and regional peace, security and stability. There must be no safe haven for those perpetrating, financing, harbouring or otherwise supporting those responsible for such criminal acts. Terrorism, whatever its motivation or origin, has no justification.

The OSCE participating States will not yield to terrorist threats, but will combat them by all means in accordance with their international commitments. This will require a long and sustained effort, but they take strength from their broad coalition, reaching from Vancouver to Vladivostok. They will defend freedom and protect their citizens against acts of terrorism, fully respecting international law and human rights. They firmly reject identification of terrorism with any nationality or religion and reconfirm the norms, principles and values of the OSCE.

The OSCE participating States pledge to reinforce and develop bilateral and multilateral co-operation within the OSCE, with the United Nations and with other international and regional organizations, in order to combat terrorism in all its forms and manifestations, wherever and by whomever committed. As a regional arrangement under Chapter VIII of the Charter of the United Nations, the OSCE is determined to contribute to the fulfilment of international obligations as enshrined, *inter alia*, in United Nations Security Council resolution 1373 (2001), and will act in conformity with the purposes and principles of the Charter of the United Nations. The OSCE participating States pledge to become parties to all 12 United Nations conventions and protocols related to terrorism as soon as possible. They call for a speedy finalization of negotiations for a Comprehensive United Nations Convention on International Terrorism.

The OSCE participating States have come together in political solidarity to take joint action. They look forward to the substantive contribution that the Bishkek International Conference on Enhancing Security and Stability in Central Asia, to be held on 13 and 14 December 2001, can render to global anti-terrorism efforts, and will support, also through technical assistance, the Central Asian partners, on their request, in countering external threats related to terrorism.

To that end, the OSCE Ministerial Council adopts The Bucharest Plan of Action for Combating Terrorism, annexed to this Decision.

THE BUCHAREST PLAN OF ACTION FOR COMBATING TERRORISM

I. Goal of the Action Plan

1. Terrorism is a threat to international peace and security, in the OSCE area as elsewhere. The OSCE stands ready to make its contribution to the fight against terrorism in close co-operation with other organizations and fora. This contribution will be consistent with the Platform for Co-operative Security and will benefit from interaction between global and regional anti-terrorism efforts under the aegis of the United Nations. The OSCE participating States commit their political will, resources and practical means to the implementation of their obligations under existing international terrorism conventions and pledge themselves to intensify national, bilateral and multilateral efforts to combat terrorism.

2. In contribution to the world-wide efforts to combat terrorism, the OSCE will seek to add value on the basis of the specifics of the Organization, its strengths and comparative advantages: its comprehensive security concept linking the politico-military, human and economic dimensions; its broad membership; its experience in the field; and its expertise in early warning, conflict prevention, crisis management, post-conflict rehabilitation and building democratic institutions. In addition, many effective counter-terrorism measures fall into areas in which the OSCE is already active and proficient, such as police training and monitoring, legislative and judicial reform, and border monitoring.

3. The aim of the Action Plan is to establish a framework for comprehensive OSCE action to be taken by participating States and the Organization as a whole to combat terrorism, fully respecting international law, including the international law of human rights and other relevant norms of international law. The Action Plan seeks to expand existing activities that contribute to combating terrorism, facilitate interaction between States and, where appropriate, identify new instruments for action. The Action Plan, which recognizes that the fight against terrorism requires sustained efforts, will identify activities to be implemented immediately as well as over the medium and long term.

II. International legal obligations and political commitments

4. United Nations conventions and United Nations Security Council resolutions (UNSCR) constitute the global legal framework for the fight against terrorism. UNSCR 1269 (1999), 1368, 1373 and 1377 (2001), along with the 12 relevant United Nations conventions and protocols on anti-terrorism issues, provide the basis for this framework and include a number of specific elements of combating terrorism. In addition, a range of OSCE documents, including Summit declarations from Helsinki to Istanbul, spell out the OSCE's commitment to fight terrorism, in accordance with the Charter of the United Nations. The widest and most comprehensive participation in and implementation of existing instruments and commitments to combat terrorism by the participating States must be pursued and ensured.

5. Participating States: Pledge themselves to apply efforts to become parties to all 12 United Nations conventions and protocols relating to terrorism, by 31 December, 2002, if

possible, recognizing the important role that parliamentarians may play in ratification and other anti-terrorism legislative processes. States are encouraged to inform the Permanent Council of steps taken in this regard. Will participate constructively in the ongoing negotiations at the United Nations on a Comprehensive Convention against International Terrorism and an International Convention for the Suppression of Acts of Nuclear Terrorism, with a view to their early and successful conclusion.

6. Office for Democratic Institutions and Human Rights (ODIHR): Will, on formal request by interested participating States and where appropriate, offer technical assistance/advice on legislative drafting necessary for the ratification of international instruments, in close co-operation with other organizations, including the United Nations Office for Drug Control and Crime Prevention (UNODCCP).

7. Participating States: Will consider how the OSCE may draw upon best practices and lessons learned from other relevant groups, organizations, institutions and fora in areas such as police and judicial co-operation; prevention and suppression of the financing of terrorism; denial of other means of support; border controls including visa and document security; and access by law enforcement authorities to information.

8. The participating States will also use the Forum for Security Co-operation (FSC) to strengthen their efforts in combating terrorism through full and timely implementation of all relevant measures agreed by the OSCE. To this end they will enhance implementation of existing politico-military commitments and agreements, in particular the Code of Conduct on Politico-Military Aspects of Security and the Document on Small Arms and Light Weapons (SALW).

The FSC will examine the relevance of its other documents to the fight against terrorism, and will assess whether there is a need to develop additional norms and measures. The Security Dialogue may serve as a suitable basis for regular consultations on these issues within the FSC.

The participating States will submit responses to the Code of Conduct Questionnaire that provide further transparency on international, regional and national commitments in combating terrorism, especially relevant United Nation conventions and resolutions. The FSC will consider ways to fully implement the Document on SALW, *inter alia*, Section V on early warning, conflict prevention, crisis management, and post-conflict rehabilitation. The FSC will examine the possibility of enhancing transparency on national marking systems, exports and imports, and national stockpile management and security procedures, primarily by reviewing the information thus exchanged and developing best practice guides. The follow-up conference on the Code of Conduct and the SALW workshop, both of which will take place in 2002, could further enhance the application of these documents in combating terrorism.

III. Preventive action against terrorism in the OSCE area

9. No circumstance or cause can justify acts of terrorism. At the same time, there are various social, economic, political and other factors, including violent separatism and extremism, which engender conditions in which terrorist organizations are able to recruit and win support. The OSCE's comprehensive approach to security provides comparative advantages in combating terrorism by identifying and addressing these factors through all relevant OSCE instruments and structures.

10. **Institution building, strengthening the rule of law and state authorities:** ODIHR: Will continue and increase efforts to promote and assist in building democratic institutions at the request of States, inter alia by helping to strengthen administrative capacity, local and central government and parliamentary structures, the judiciary, ombudsman institutions and civil society. Will facilitate exchanges of best practices and experience between participating States in this regard. Will continue to develop projects to solidify democratic institutions, civil society and good governance.

11. **Promoting human rights, tolerance and multi-culturalism:** Participating States/Permanent Council/ODIHR/High Commissioner on National Minorities (HCNM)/Representative on Freedom of the Media: Will promote and enhance tolerance, co-existence and harmonious relations between ethnic, religious, linguistic and other groups as well as constructive co-operation among participating States in this regard. Will provide early warning of and appropriate responses to violence, intolerance, extremism and discrimination against these groups and, at the same time, promote their respect for the rule of law, democratic values and individual freedoms. Will work to ensure that persons belonging to national minorities have the right freely to express, preserve and develop their ethnic, cultural, linguistic or religious identity.

12. Representative on Freedom of the Media: Will consider developing projects aimed at supporting tolerance towards people of other convictions and beliefs through the use of the media. Will promote measures aimed at preventing and fighting aggressive nationalism, racism, chauvinism, xenophobia and anti-Semitism in the media. Will continue to encourage pluralistic debate and increased media attention to promoting tolerance of ethnic, religious, linguistic and cultural diversity and will, in this context, promote broad public access to media as well as monitor hate speech.

13. **Addressing negative socio-economic factors:** Participating States/Secretariat: Will aim to identify economic and environmental issues that undermine security, such as poor governance; corruption; illegal economic activity; high unemployment; widespread poverty and large disparities; demographic factors; and unsustainable use of natural resources; and will seek to counter such factors with the assistance, on their request, of the Office of the Co-ordinator of OSCE Economic and Environmental Activities (OCEEA), acting, among other things, as a catalyst for action and co-operation.

14. **Preventing violent conflict and promoting peaceful settlement of disputes:** Drawing on all its capacities, the OSCE will continue and intensify work aimed at early warning and appropriate response, conflict prevention, crisis management and post-conflict rehabilitation; will strengthen its ability to settle conflicts; will increase efforts to find lasting solutions to unresolved conflicts, including through promotion of the rule of law and crime prevention in such conflict zones through increased co-operation with the United Nations, the European Union and other international organizations; and will further develop its rapid deployment capability (REACT) in crisis situations.

15. **Addressing the issue of protracted displacement:** Participating States/ODIHR/HCNM/Representative on Freedom of the Media: Will explore strengthened OSCE potential for contributing to durable solutions, supporting and closely co-operating with other relevant organizations, primarily the Office of the United Nations High Commissioner for Refugees. Will closely monitor situations of protracted displacement.

16. **Strengthening national anti-terrorism legislation: Participating States:** Will commit themselves to implementing all the obligations they have assumed under relevant conventions and protocols relating to terrorism as well as the United Nations Convention against Transnational Organized Crime and its additional protocols, sharing information and methods in this regard and considering ways and means of co-operation in implementation at bilateral, OSCE-wide and sub-regional meetings.

17. OSCE Parliamentary Assembly: Will continue its efforts to promote dialogue among OSCE parliamentarians with a view to strengthening legislation essential in combating terrorism.

18. ODIHR: Will, on request by interested participating States and where appropriate, offer technical assistance/advice on the implementation of international anti-terrorism conventions and protocols as well as on the compliance of this legislation with international standards, in accordance with Permanent Council decisions, and will seek co-operation with other organizations, especially the UNODCCP, to this end. Will consider facilitating contacts between national experts to promote exchange of information and best practices on counter-terrorism legislation.

19. **Supporting law enforcement and fighting organized crime: Participating States:** Noting the close connection between terrorism and transnational organized crime, illicit trafficking in drugs, money laundering and illicit arms trafficking, will take the necessary steps to prevent in their territory illegal activities of persons, groups or organizations that instigate, finance, organize, facilitate or engage in perpetration of acts of terrorism or other illegal activities directed at the violent overthrow of the political regime of another participating State. Will afford one another the greatest measure of assistance in providing information in connection with criminal investigations or criminal extradition proceedings relating to terrorist acts, in accordance with their domestic law and international obligations.

20. Permanent Council: Will consider arranging regular meetings of law enforcement officials of participating States and, where applicable, of OSCE experts with relevant experience in the field to exchange best practices and ways of improving co-operation.

21. Secretariat: Will assist participating States, on their request, through measures to combat trafficking in human beings, drugs and small arms and light weapons, in accordance with relevant Permanent Council decisions, and will undertake efforts to assist in facilitating increased border monitoring, where appropriate. Will further assist participating States, on the request and with their agreement, through provision of advice and assistance on restructuring and/or reconstruction of police services; monitoring and training of existing police services, including human rights training; and capacity building, including support for integrated or multi-ethnic police services. Will, to this end, reinforce its existing police-related activities in conflict prevention, crisis management and post-conflict rehabilitation.

22. ODIHR: Will provide continued advice to participating States, at their request, on strengthening domestic legal frameworks and institutions that uphold the rule of law, such as law enforcement agencies, the judiciary and the prosecuting authorities, bar associations and defence attorneys. Will expand its efforts to combat trafficking in human beings and to support victims of trafficking. Will, where appropriate, support prison reform and improvements in criminal procedure.

23. Representative on Freedom of the Media: Will co-operate in supporting, on request, the drafting of legislation on the prevention of the abuse of information technology for terrorist purposes, ensuring that such laws are consistent with commitments regarding freedom of expression and the free flow of information.

24. **Suppressing the financing of terrorism.** Participating States: Will, within the framework of the United Nations Convention on the Suppression of Financing of Terrorism and UNSCR 1373 (2001), take action to prevent and suppress the financing of terrorism, criminalize the wilful provision or collection of funds for terrorist purposes, and freeze terrorist assets also bearing in mind UNSCR 1267 (1999). Will, in accordance with their domestic legislation and obligations under international law, provide early response to requests for information by another participating State and relevant international organizations.

25. Participating States/Secretariat: Will, in the realm of the Economic and Environmental activities for 2002, also consider ways of combating economic factors which may facilitate the emergence of terrorism, economic consequences of terrorism as well as financial support for terrorists. Will consider how the OSCE may contribute, within the framework of its work on transparency and the fight against corruption, to the wider international effort to combat terrorism. Will consider taking on a catalytic role in providing targeted projects for the training of the personnel of domestic financial institutions in counter-terrorism areas, *inter alia* on monitoring of financial flows and on prevention of money laundering. Participating States will participate constructively in the forthcoming negotiations at the United Nations on a global instrument against corruption, with a view to their early and successful conclusion.

26. **Preventing movement of terrorists:** Participating States: Will prevent the movement of terrorist individuals or groups through effective border controls and controls on issuance of identity papers and travel documents, as well as through measures for ensuring the security of identity papers and travel documents and preventing their counterfeiting, forgery and fraudulent use. Will apply such control measures fully respecting their obligations under international refugee and human rights law. Will, through the proper application of the exclusion clauses contained in the 1951 Convention Relating to the Status of Refugees and its 1967 Protocol, ensure that asylum is not granted to persons who have participated in terrorist acts. Will provide for the timely detention and prosecution or extradition of persons charged with terrorist acts, in accordance with their obligations under international and national law.

IV. Action under the Platform for Co-operative Security - Co-operation with other organizations

27. The United Nations is the framework for the global fight against terrorism. Close co-operation and co-ordination between all relevant actors must be secured. The OSCE can take on a co-ordinating role for inter- and intra-regional initiatives. The OSCE reaches out through close contacts to non-governmental organizations (NGOs), civil society and parliamentarians, creating an ever-closer network for the international coalition against terrorism.

28. Participating States/Secretariat: Will strengthen co-operation and information exchanges, both formally and informally, with other relevant groups, organizations, and institutions involved in combating terrorism. Will strengthen co-operation with the European Union on analysis and early warning and reinforce synergy with the Stability Pact

for South Eastern Europe and the Central European Initiative in areas relevant to combating terrorism. Will promote dialogue within the OSCE area on issues relating to new threats and challenges. Will broaden dialogue with partners outside the OSCE area, such as the Mediterranean Partners for Co-operation and Partners for Co-operation in Asia, the Shanghai Co-operation Organization, the Conference on Interaction and Confidence-Building Measures in Asia, the Organization of the Islamic Conference, the Arab League, the African Union, and those States bordering on the OSCE area to exchange best practices and lessons learned in counter-terrorism efforts for application within the OSCE area.

V. Follow-up

29. The “Bishkek International Conference on Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism”, to be held on 13 and 14 December 2001 in Bishkek, will be a first opportunity to:

- discuss among a broad range of participants, on the basis of the present Action Plan, concrete experiences and best practices in combating international terrorism and
- due to the specific security challenges to which this region is exposed, apply relevant provisions of this Action Plan for practical support to participating States in Central Asia, including financial and technical assistance in concrete areas of their interest.

30. The Secretary General will, by 27 December 2001, report to the United Nations Counter Terrorism Committee on action on combating terrorism taken by the OSCE, and will thereafter inform the United Nations as appropriate. In addition, he will regularly inform the Permanent Council about OSCE activities under this Plan of Action. He will prepare a report for submission to the next OSCE Ministerial Council/Summit on activities of OSCE bodies in the anti-terrorism field, and thereafter as requested by the Permanent Council.

31. Each OSCE body called upon to take action under this Plan will prepare, for submission to the Permanent Council, a “road map” for implementation of these tasks, including a timetable, resource implications, and indication of activities requiring further Permanent Council decisions.

On the basis of information provided by other OSCE bodies, the Secretariat will prepare an indicative assessment of the administrative and financial implications of this Plan of Action, including the possible need for establishing an anti-terrorism unit or focal point within the Secretariat, and make recommendations for the approval by the Permanent Council of necessary resources within the 2002 budget. The Permanent Council, acting, *inter alia*, through the Chairman-in-Office and assisted by the Secretariat, will monitor the implementation of this Action Plan. It will further identify sources for assistance in implementing counter-terrorism measures, including expert teams, and possible additional tasking by the Permanent Council of OSCE field presences in close co-operation and agreement with host governments.

**III. STATEMENTS BY THE MINISTERIAL COUNCIL
(MC(9).DEC/2)**

DECISION No. 2
STATEMENTS BY THE MINISTERIAL COUNCIL
(MC(9).DEC/2)

(1)

1. Since we last met, in November 2000 in Vienna, the OSCE remained actively involved in Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia and the Federal Republic of Yugoslavia. We have witnessed progress in large parts of South-Eastern Europe but were also confronted with new challenges. The OSCE has continued to contribute substantially to conflict prevention, crisis management, and post-conflict stabilization, and thereby fostered peace and stability in the area. In this respect we stress the importance of regional co-operation, particularly in accordance with the Platform for Co-operative Security and of the European Union Stabilization and Association Process for the prosperity of the region.

2. We reaffirm that peace, prosperity and stability in South-Eastern Europe remain one of the strategic priorities for the OSCE. We confirm our commitment to the Stability Pact for South-Eastern Europe, which is under the auspices of the OSCE, as an important initiative to promote the objectives of democratic consolidation, economic prosperity and sustainable security. We welcome the results of the Regional Conference on 25 and 26 October 2001 in Bucharest. It sent a strong political signal that the countries of the region will continue their efforts toward reforms and regional co-operation and that the International Community will maintain its strong support for sustainable stabilization, democratization, institution building and economic reconstruction in South-Eastern Europe. We also encourage closer links between the Pact and other regional initiatives, such as the South East European Co-operation Process. We support initiatives to strengthen the Stability Pact by refocusing and reprioritising its future action. We welcome enhanced regional co-operation on issues related to refugees and displaced persons and encourage further co-operation on this issue.

3. We fully support the territorial integrity and the inviolability of borders of the States in South-Eastern Europe and condemn all terrorist acts of any origin or motivation, and all forms of ethnic nationalist and separatist violence. We expect full compliance with international obligations in particular the General Framework Agreement for Peace in Bosnia and Herzegovina (Dayton/Paris Peace Accords) and full co-operation by all with the International Criminal Tribunal for the former Yugoslavia and welcome the steps taken by the countries in the region in this respect. An increased number of indicted war criminals are now facing trial in The Hague. All those indicted by the Tribunal must be turned over to ICTY authorities to stand trial.

4. We welcome the conclusion of the Framework Agreement on 13 August 2001 and commend the Parliament for the adoption of the Constitutional amendments on 16 November 2001. In that regard, we value the contributions of the Chairman-in-Office and his Personal Envoy in close co-operation with the Special Envoys of the European Union and the United States for overcoming the crisis. Reaffirming our commitment to the sovereignty, territorial integrity and the unitary character of the state, we offer our sustained assistance for and strongly support the full and timely implementation of the Framework Agreement. In that regard, we welcome the invitation to assist in the implementation of the Framework Agreement and in particular of Annex C, including the programs on police training and reform, media, and interethnic relations. In agreement, close co-operation, and partnership

with the government, the OSCE will make its experience available in all relevant fields of the Framework Agreement, including further enhancement of inter-ethnic confidence building. We look forward to the adoption of the revised Law on Local Self-Government and we underline the importance of convening a donors' conference as soon as possible thereafter, in order to support the implementation of the Framework Agreement's objectives and rebuild the economy. While condemning renewed acts of extremist violence, we reaffirm that only peaceful political solutions can assure a stable and democratic future for the country and the continuation of the reform processes, which will facilitate the development of closer and more integrated relations with the Euro-Atlantic community of nations, further enhance multiethnic democracy and promote peaceful and harmonious relations among its citizens. A stable and peaceful country is a precondition for a more stable and prosperous region.

5. We commend the consolidation of democracy in the Federal Republic of Yugoslavia and the efforts made to strengthen the rule of law, respect for human rights and fundamental freedoms, including the rights of persons belonging to national minorities. We note the contribution of the authorities of the Federal Republic of Yugoslavia to regional stability. We welcome the establishment and the work of the OSCE Mission to the Federal Republic of Yugoslavia. We stand ready to assist the Yugoslav people and the government in strengthening full democracy. We welcome the ongoing efforts of the Yugoslav and Serbian governments to carry out the plan for southern Serbia and call upon all involved to continue efforts towards ensuring a successful implementation. We are pleased with the progress that has been made on confidence-building measures in southern Serbia, in particular on multi-ethnic police training. We support a democratic Montenegro within a democratic Yugoslavia and encourage dialogue between federal and republican authorities.

6. We reaffirm our commitment to the full implementation of United Nations Security Council Resolution 1244 regarding Kosovo, Federal Republic of Yugoslavia, including the establishment of a secure environment, assuring safe, sustainable and unimpeded return of all refugees and internally displaced persons to their homes and addressing the problem of missing persons. We commend the adoption of an UNMIK-FRY common document and expect its full implementation. We welcome the holding of Kosovo-wide election on 17 November 2001 and recognize the contribution of the OSCE and other international organizations and institutions in facilitating a free, fair and inclusive vote. The elections were an important step in the implementation of United Nations Security Council Resolution 1244 and mark the beginning of the phase of democratic provisional self-government in accordance with the constitutional framework. Conditions should be provided for all members of the new assembly and all ethnic communities to participate fully in this process. We call upon those elected and all ethnic communities to participate in full responsibility in this process.

7. We support the democratically elected authorities in Bosnia and Herzegovina at the State and entity level and call on them to make further progress, in particular with regard to strengthening State institutions, the return of refugees and displaced persons and the creation of a single economic space in accordance with the Dayton/Paris Peace Accords. Continuing development of civil society and increasing local ownership of the reform process will be key priorities of ongoing OSCE involvement. We commend the sustained efforts by the High Representative and the OSCE Mission aimed at improving co-ordination and efficiency of the international engagement in the field of civilian implementation of the Dayton/Paris Peace Accords. We favour a timely decision on the best options for the succession of UNIPTF to allow for a smooth and comprehensive transition. The OSCE has experience to offer in this regard.

8. We commend the positive role of the government of Albania in regional co-operation. We consider that the 2001 parliamentary elections in Albania marked progress over past elections. We call on the authorities of Albania to implement the recommendations contained in the OSCE/ODIHR final report on the 2001 Parliamentary elections and call on the political opposition to participate fully in the political process.

9. We welcome the continuing progress by the Croatian authorities to implement democratic and economic reforms and also the positive steps taken by the Croatian authorities towards regional stability, through substantial progress in regional co-operation. It is in Croatia's, as well as in the region's, interest that such measures be pursued. We welcome the OSCE Croatia Mission's sustained efforts in 2001, and we offer strong support for its future efforts in co-operation with Croatian authorities. We look forward to additional steps being taken in Croatia as well as in other countries of the region to facilitate sustainable solutions to the plight of refugees and internally displaced persons, including the full exercise of their rights to return home and to repossess their properties throughout the region.

10. We commend the OSCE's continued work in assisting in the implementation of Articles II and IV of Annex 1-B of the Dayton/Paris Peace Accords. In this context, we support measures to enhance transparency and democratic control of armed forces, information exchange, and other co-operative activities, under Article II, that help to increase mutual confidence and stability, and efforts under Article IV in the field of arms control. We look forward to enhanced co-operation in the implementation of the Florence Agreement. We also welcome the adoption of the Concluding Document of the Negotiations under Article V of Annex 1-B of the Dayton/Paris Peace Accords. We welcome support extended by the Stability Pact for South-Eastern Europe towards the implementation of arms control and Confidence- and Security-Building Measures.

11. We reiterate our commitment to address the problem of the excessive and destabilising accumulation and uncontrolled spread of small arms and light weapons, including through, in particular, the OSCE Document on Small Arms and Light Weapons. We welcome activities undertaken by the countries in this regard.

12. We commend the contribution of all countries of South-Eastern Europe to enhance regional co-operation and to foster regional security and stability.

(2)

1. We note the efforts undertaken in 2001 by the Republic of Moldova and the mediators from the OSCE, the Russian Federation, and Ukraine, towards negotiation of a comprehensive political settlement of the Transdnistrian issue. We reaffirm that in the resolution of this problem the sovereignty and territorial integrity of the Republic of Moldova must be insured. We stress the need for specific progress in 2002. In this respect, we call upon both sides, and particularly the Transdnistrian authorities, to resume promptly and in the existing format the negotiations on the status of the Transdnistrian region, as recently proposed by the mediators. We also note the need to address, in the framework of the negotiation process, other relevant issues, including strengthening of border and customs control.

2. We welcome the fulfilment by the Russian Federation, ahead of the agreed time, of the commitments undertaken at the OSCE Istanbul Summit in 1999 on withdrawal and disposal of the CFE Treaty-Limited Equipment located in the Transdnestrian region of the Republic of Moldova by the end of 2001. We commend the Russian Federation on its accomplishment, as well as the other parties for their contribution to this achievement. We believe this should serve as a model for constructive and fruitful co-operation in dealing with other issues.

3. We look forward to the timely fulfilment of other commitments on Moldova undertaken by the OSCE participating States in Istanbul in 1999. We note in this regard the progress achieved in 2001 in beginning withdrawal from the Transdnestrian region of the Republic of Moldova of the Russian military equipment not limited by CFE Treaty, as well as in preparing for withdrawal or destruction in a fully transparent manner of ammunition belonging to the Russian Federation. We express our thanks to those participating States contributing to the relevant OSCE voluntary fund to allow OSCE to assist the Russian Federation in the timely fulfilment of its 1999 OSCE Istanbul Summit commitments. We also encourage participating States to make initial or additional contributions to the voluntary fund.

(3)

1. We express our firm commitment to support the independence, sovereignty and territorial integrity of Georgia and reaffirm previous OSCE Summit and Ministerial Council documents regarding Georgia.

2. We welcome developments in the peace process in Tskhinvali region/South Ossetia. We express appreciation for the efforts of the OSCE Chairman-in-Office and the OSCE Mission to Georgia, the European Commission and particularly the Russian Federation, which have resulted in tangible steps forward, including practical steps to reduce the quantities of small arms and light weapons in this region, and agreement on a schedule of future meetings of the Joint Control Commission and of experts. We welcome the financial assistance provided by the European Union. We welcome the signing of the Georgian-Russian Agreement on the economic rehabilitation. We look forward to further progress in 2002, building on the greater understanding between the parties particularly on defining the political status of Tskhinvali region/South Ossetia within the Georgian State.

3. We reconfirm the leading role of the United Nations in Abkhazia, Georgia and the importance of the Geneva process as the main framework of negotiations. We condemn the shooting down of a UNOMIG helicopter on 11 October and urge the honest fulfilment of all agreements, including, *inter alia*, the Moscow Cease-fire Agreement of 14 May 1994. We call for the resumption of a constructive dialogue aimed at achieving a comprehensive settlement, including defining the political status of Abkhazia as a sovereign entity within the state of Georgia. We remain concerned about human rights situation in Abkhazia, Georgia. We are convinced of the need to create the conditions for the safe, secure and dignified return of refugees and internally displaced persons to their previous places of permanent residence from which they have been forced to move as a result of mass destruction and forcible expulsion.

4. We acknowledge the significant contribution to stability and confidence in the region made by the OSCE Border Monitoring Operation along the border between Georgia and the

Chechen Republic of the Russian Federation. We direct the Permanent Council to examine proposals to extend the Border Monitoring Operation to the Georgian border with the Ingush Republic of the Russian Federation.

5. We welcome the progress made this year towards meeting the commitments made in Istanbul on the future of Russian forces in Georgia. The closure of the Russian base at Vaziani and the withdrawal of the equipment from the Russian base at Gudauta were important steps forward. We look forward to the implementation of the other Istanbul commitments. We call for the resumption of the Georgian-Russian negotiations concerning the elaboration of appropriate transparency measures with regard to the closure of the base at Gudauta. We hope for an early legal transfer of the infrastructure of the former Russian military base at Gudauta. We also look forward to an early agreement on the duration and modalities of the functioning of the remaining Russian military facilities. We welcome the contributions made by Participating States to the voluntary fund to support the withdrawal from Russian facilities, and agree to consider on an urgent basis proposals from the parties for the use of the fund.

6. We welcome the aspiration to good-neighbourly relations and development of co-operation that was manifested at the meeting between the President of Russia, Vladimir Putin, and the President of Georgia, Eduard Shevardnadze, on 30 November 2001, as well as the agreement to establish a joint commission to investigate the reported cases of bombardments in the border areas of the territory of Georgia.

(4)

1. Ten years ago the countries of Central Asia of the OSCE region proclaimed their independence and acceded to the Organization. We note with appreciation the progress they have achieved in such a short span of time. We note with satisfaction that the engagement of the OSCE towards co-operation with the five participating states of Central Asia has continued to grow in all dimensions. Based on its comprehensive, three-dimensional approach to security, the OSCE should find effective ways to promote further political and economic development in Central Asia in co-operation with other international institutions and on the basis of the Platform for Co-operative security. The support of the OSCE for social, economic and democratic reforms would contribute to stability and prosperity in the region. We support the efforts of the Central Asian participating States to promote co-operation in the field of economic development.

2. Threats to stability and security emanating from international terrorism, violent extremism, organized crime, drugs and arms trafficking are shared concerns among the OSCE participating States and are addressed jointly, *inter alia*, by the Bucharest Action Plan on Combating Terrorism. We recognize the specific problems in this context for the Central Asian participating States as neighbouring countries to Afghanistan and hope that the forthcoming Bishkek International Conference on Enhancing Security and Stability in Central Asia will make a valuable contribution to addressing these problems.

3. Being aware of the many challenges faced by them, we strongly reaffirm our sustained commitment in support of their endeavour towards further building of modern societies as well as the creation of a secure, stable and prosperous environment in the region.

(5)

1. We express deep concern at the failure to achieve a settlement of the Nagorno-Karabakh conflict despite the intensified dialogue between the parties and active support of the Minsk Group Co-Chairs. We reaffirm that the prompt resolution of this protracted conflict will contribute to lasting peace, security, stability and co-operation in the South Caucasus region.
2. We reiterate the importance of continuing the peace dialogue and call upon the sides to continue their efforts to achieve an early resolution of the conflict based on norms and principles of international law. We also encourage the parties to explore further measures that would enhance mutual confidence and trust, including the release of POWs.
3. We welcome the commitment of the parties to the ceasefire and to achieving a peaceful and comprehensive settlement. We encourage the parties to continue their efforts, with the active support of the Co-Chairs, aimed at reaching a just and enduring settlement.

**IV. DECISIONS OF THE
BUCHAREST MINISTERIAL COUNCIL MEETING**

DECISION No. 3
FOSTERING THE ROLE OF THE OSCE AS A
FORUM FOR POLITICAL DIALOGUE
(MC(9).DEC/3)

The Ministerial Council,

Recognizing the importance of furthering the role of the OSCE as a forum of political dialogue in the Euro-Atlantic space,

Conscious of the importance of the political dialogue so that important matters relating to security and co-operation in Europe can be fully discussed by participating States,

Aware of the need to give political guidance to the Head of institutions and field operations,

Bearing in mind that the comprehensive approach to security covers the politico-military, economic and environmental and human dimension and that the development of expertise in these areas can contribute to the depth and value of the Permanent Council's own debates and conclusions,

Decides the following:

1. As the principal body for ongoing political consultations and decision-making of the OSCE, the Permanent Council will:
 - (a) provide a permanent framework for political dialogue of participating States;
 - (b) focus its weekly regular meetings on discussing issues of interest for the participating States;
 - (c) continue to examine, at regular intervals, reports of the OSCE field operations, with the participation of their respective Heads; normally, the examination will be preceded by written activity reports distributed in advance to participating States, and previous informal open-ended discussions of delegations with the Head of field operation;
 - (d) with full respect of their respective mandates, continue to discuss, at regular intervals, reports by the Heads of OSCE institutions;
 - (e) make use of the Preparatory Committee in its decision-making and for focused political consultations among the participating States;
 - (f) as appropriate, hold discussions with representatives of other international organizations, as well as with others who can contribute to the political dialogue on security issues;
 - (g) adopt, whenever appropriate, public declarations or statements on topics of interest for the governments, civil societies and public opinion.

2. Recalling paragraph 18 of the Charter for European Security, the Ministerial Council tasks the working group on legal capacity to continue its work and seek to solve this issue.

3. Co-ordination and co-operation with the OSCE Parliamentary Assembly, in particular, to promote democratic values and respect for human rights and fundamental freedoms should be strengthened. To this effect, active communication and interaction, to include joint activities, between the Parliamentary Assembly and other OSCE structures should be developed, as appropriate.

4. Participating States reaffirm their commitment to seek the peaceful resolution of disputes as set out in the Charter of the United Nations and the Helsinki Final Act.

5. As a priority objective, the OSCE will apply renewed efforts to the settlement of conflicts in the OSCE area, in accordance with the standards and principles contained in the documents of the Organization to which participating States have agreed. The OSCE will continue to support participating States in their efforts to settle such conflicts, and will seek active involvement in facilitating or conducting negotiations with the parties to such conflicts, at the request of the participating States.

6. Meetings of the Ministerial Council, as the central political consultation, decision-making and governing body of the OSCE, will be effectively prepared by the Permanent Council, *inter alia* through:

- (a) establishment of the timetable and the organizational modalities, including international organizations and institutions to be invited at the meeting;
- (b) preparation of documents to be submitted to the Ministerial Council in the Preparatory Committee or *ad hoc* open-ended working groups established with sufficient time in advance;
- (c) appropriate review in the Permanent Council, the Preparatory Committee, or an appropriate working group of the stages of preparations.

7. Meetings of the Permanent Council, and those of the Preparatory Committee, other committees and working groups will be conducted with inclusiveness, equality and free exchange of views in order to address the interests of all participating States and to identify areas for co-operation and compromise.

8. In order to strengthen the politico-military dimension of the OSCE, the Forum for Security Co-operation, as the OSCE body for reviewing the implementation of OSCE commitments in the fields of arms control and confidence- and security-building, and for negotiating measures in the fields of arms control, and confidence- and security-building, will:

- (a) address those aspects of new security challenges which fall within its mandate, and update its activities accordingly;
- (b) while retaining its autonomy and decision-making capacity, be more closely connected with the overall OSCE work on current security issues and, to this end, will make available its expert advice on issues of a politico-military nature, at the request of the Permanent Council; this may include, as necessary, advice on politico-military

issues of OSCE field operations, in accordance with their respective mandates. The Forum for Security Co-operation may also advise the Permanent Council or the Chairman-in-Office on its own initiative;

- (c) continue to fulfil its mandate and facilitate implementation of existing politico-military commitments, and to serve as a venue to negotiate measures in the politico-military field, in order to enhance security by fostering stability, transparency and predictability.

9. In order to facilitate interaction between the Permanent Council and the Forum for Security Co-operation, the OSCE Chairmanship will be represented at the Forum's Troika meetings. The Chairmanship of the Forum will also be represented at OSCE Troika meetings on matters of FSC concern.

10. The Ministerial Council welcomes the Forum's review of the modalities of its Chairmanship and its steps to enhance its organizational efficiency.

11. Bearing in mind the need to strengthen co-operation in the economic and environmental dimension, and with a view to improving organizational structure in this field, and without prejudice to the functions of the Economic Forum, an Economic and Environmental Sub-Committee of the Permanent Council is hereby established. It will normally meet in informal format and normally report to the Permanent Council through the Preparatory Committee. It will perform the following tasks:

- (a) to provide an ongoing framework for dialogue of the participating States on economic and environmental issues and to make recommendations to the Permanent Council, including on projects to be implemented;
- (b) to support the preparation of the meetings of the Economic Forum and make recommendations to the Permanent Council on the future programme of work, including actions to follow-up of recommendations made by the Forum;
- (c) to examine any important or topical economic or environmental issue relevant to the OSCE at the request of the Permanent Council, or at the initiative of any participating State;
- (d) to provide advice to the Permanent Council, as necessary, on economic and environmental activities of OSCE field operations, in accordance with their respective mandates.

12. Where appropriate, the Sub-Committee may invite representatives of the business community, business associations and relevant governmental and non-governmental organizations, the academic community, and non-participating States, particularly Partners for Co-operation, to participate in its meetings.

13. The OSCE Co-ordinator on Economic and Environmental Activities will provide working support for the activities of the Sub-Committee, subject to his mandate.

DECISION No. 4
BY THE MINISTERIAL COUNCIL
(MC(9).DEC/4)

The Ministerial Council,

Taking note of the decision of the Permanent Council aimed at enhancing the effectiveness of the Human Dimension Meetings (PC.DEC/428 of 19 July 2001),

Tasks the Permanent Council with reviewing further the modalities of the Human Dimension Meetings by 30 June 2002.

DECISION No. 5
BY THE MINISTERIAL COUNCIL
(MC(9).DEC/5)

The Ministerial Council,

Reaffirming its concern about manifestations of aggressive nationalism, racism, chauvinism, xenophobia, anti-semitism and violent extremism, wherever they may occur,

Reiterating its determination to implement all OSCE commitments on taking measures in this regard,

Calls on participating States to promote tolerance and non-discrimination also through awareness raising campaigns and education;

Calls on OSCE institutions, particularly the ODIHR, the High Commissioner on National Minorities, and the Representative on Freedom of the Media, to pay increased attention to manifestations of aggressive nationalism, racism, chauvinism, xenophobia, anti-semitism and violent extremism, to countering intolerance and discrimination on the ground of racial or ethnic origin, religious, political or other opinion and to fostering respect for rule of law, democratic values, human rights and fundamental freedoms, including freedom of expression, thought, conscience, religion or belief;

Tasks the Permanent Council to consider developing further measures in this regard.

DECISION No. 6
BY THE MINISTERIAL COUNCIL
(MC(9).DEC/6)

The Ministerial Council,

Reiterating its commitment to combat all forms of trafficking in human beings, which affects all participating States,

Affirming its commitment to developing co-operation and interaction among participating States on anti-trafficking measures and related crimes,

Calls on participating States to sign and ratify the United Nations Convention against Transnational Organized Crime, and its Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children;

Welcomes the successful completion of the OSCE's Code of Conduct and Anti-Trafficking Guidelines and their dissemination to the OSCE staff;

Reaffirms its support for the work of the ODIHR, field operations and Stability Pact Task Force on combating trafficking in Human Beings;

Encourages information exchange with a view to strengthening investigation, law enforcement and crime prevention;

Calls on participating States to accelerate taking the necessary measures to fulfil their Vienna ministerial commitments which include prevention of trafficking, protection of victims and prosecution of traffickers and their accomplices.

DECISION No. 7
BY THE MINISTERIAL COUNCIL
(MC(9).DEC/7)

The Ministerial Council,

Noting the conclusions of the Bucharest Conference on Equal Opportunities for Roma and Sinti,

Expressing its support for the work of the Contact Point on Roma and Sinti Issues and its commitment to strengthening the Contact Point,

Tasks the ODIHR to elaborate an Action Plan of targeted activities as mandated by the Istanbul Summit, as one of the ways the ability of the Contact Point can be strengthened to assist participating States in fulfilling their commitments to improve the situation of Roma and Sinti, and to submit it to the Permanent Council;

Encourages the Contact Point on Roma and Sinti Issues to continue its work in close co-operation with participating States, Council of Europe and other relevant organizations and to inform the Permanent Council of these matters.

DECISION No. 8
BY THE MINISTERIAL COUNCIL
(MC(9).DEC/8)

The Ministerial Council,

Recognizing that equality of women and men is essential to sustainable democracy and stability in the OSCE region,

Convinced of women's potential to contribute to conflict prevention, reconciliation and peace-building processes,

Confirming the commitment to protect and promote the rights of women and being aware of the vulnerability of women especially in conflict and post-conflict situations,

Determined to combat all forms of violence against women, including domestic violence,

Recognizing the need for rehabilitation centres for women affected by violence,

Welcoming the fact that during this year the OSCE has given more attention to the problem of violence against women, which affects all OSCE participating States,

Calls for the implementation of the Action Plan on Gender Issues;

Tasks the Permanent Council to consider how the OSCE can contribute to preventing violence against women.

DECISION No. 9
POLICE-RELATED ACTIVITIES
(MC(9).DEC/9)

The Ministerial Council,

Reaffirming the understanding at the Istanbul Summit that new risks and challenges to security have arisen globally and in the OSCE area, and that these new challenges - international terrorism, violent extremism, organized crime and drug trafficking as well as the excessive and destabilizing accumulation and uncontrolled spread of small arms and light weapons - represent growing challenges to security;

Reaffirming the Istanbul commitment to co-operate more actively and closely with each other to meet these challenges, and to strengthen protection against these new risks and challenges;

Noting the commitment at Istanbul to meet common challenges, and the understanding that strong democratic institutions and the rule of law are the foundation for protection against these new risks and challenges;

Affirming that effective policing is essential to uphold the rule of law and to defend democratic institutions;

Also affirming that greater co-operation between and among participating States in police-related activities can contribute to meeting these new risks and challenges;

Recalling the undertaking by OSCE participating States at the Istanbul Summit to expand the ability to carry out police-related activities in order to assist in maintaining the primacy of law;

Recalling also the commitments contained in Articles 44 and 45 of the Istanbul Charter for European Security to enhance the OSCE's role in civilian police-related activities as an integral part of the Organization's efforts in conflict prevention, crisis management and post-conflict rehabilitation;

Recalling as well the Istanbul commitment to promote the development of independent judicial systems that play a key role in providing remedies for human rights violations as well as providing advice and assistance for prison system reforms, and to work with other international organizations in the creation of political and legal frameworks within which the police can perform its tasks in accordance with democratic principles and the rule of law;

Pursuant to the Decision of the Ministerial Council of 28 November 2000 on police-related activities, and taking note of the discussion at the meeting of police experts held in Vienna on 28 and 29 June 2001;

Noting the Decision of the Ministerial Council of 4 December 2001 on combating terrorism, and the pledge therein of all OSCE participating States to reinforce and develop bilateral and multilateral co-operation within the OSCE, with the United Nations and with other international and regional organizations, in order to combat terrorism in all its forms

and manifestations, wherever and by whomever committed, in accordance with their international commitments;

Also acknowledging the role of law enforcement in furthering the Decision of the Ministerial Council of 28 November 2000 on enhancing the OSCE's efforts to combat trafficking in human beings, and in implementing the Forum for Security Co-operation Decision of 24 November 2000 on the OSCE Document on Small Arms and Light Weapons;

And noting the increase in requests from participating States to the OSCE for assistance in police-related activities, and the recent expansion of the Organization's efforts to monitor police activities and to provide police training, including in multi-ethnic and/or multi-religious police services, in crisis or post-conflict situations;

1. Agrees that in developing plans for OSCE police-related activities in meeting new security challenges and in enhancing OSCE police-related activities directed to conflict prevention, crisis management and post-conflict rehabilitation, the OSCE will:

- strive to ensure continuity in institution building and functional transition from and disengagement of international assistance;
- explore and build on the role of police training, particularly integrated police training, in creating police services that can enjoy the confidence of the entire population, and as a confidence-building measure; and,
- examine the options and conditions for an OSCE role in law enforcement.

2. Decides to reinforce the OSCE's existing police-related activities in conflict prevention, crisis management and post-conflict rehabilitation including, at the request of participating States and with their agreement, through provision of advice and assistance on restructuring and/or reconstruction of police services; monitoring and training of existing police services, including training regarding human rights and fundamental freedoms; and capacity building, including support for integrated or multi-ethnic police services, where appropriate.

3. Decides to increase and promote co-operation among participating States in countering new security challenges, including by:

- at the request of participating States and with their agreement, and, as necessary in accordance with current OSCE procedures, on the decision of the Permanent Council, providing and co-ordinating OSCE police training, including at the subregional level, with a view to:
 - improving operational and tactical policing capacities;
 - enhancing key policing skills, including respect for human rights and fundamental freedoms, and, as appropriate, dealing with the criminal aspects of illegal migration; and,
 - increasing community policing, anti-drug, anti-corruption and anti-terrorist capacities; and,

- at the request of participating States and with their agreement:
 - providing advice or arranging for the provision of expert advice on requirements for effective policing (needs assessments) and how to meet them, including by facilitating or identifying funding to implement such advice from the OSCE; from its participating States through extra-budgetary funding; or from other relevant international or regional organizations; and,
 - encouraging where appropriate the exchange of information among and between participating States regarding lessons learned and best policing practices in countering these new security challenges.

4. In support of the above activities and undertakings, in accordance with the Platform for Co-operative Security, the OSCE will:

- convene as appropriate and preferably annually meetings of police experts from OSCE participating States, and representatives of other relevant specialized international and regional organizations;
- ensure that OSCE activities in police-related issues are conducted in co-ordination with other relevant actors and organizations, including reviewing and if possible enhancing compatibility with subregional, regional and international efforts, with a view to maximizing efficiency and benefit to the Organization, the host participating State, and to avoiding gaps, duplication or overlapping of competencies; and,
- promote the capabilities and capacities of the Organization in designing, conducting and managing effective OSCE police training, monitoring and capacity building, including through the development of links to other relevant organizations and national agencies as well as the principal humanitarian aid agencies.

5. In keeping with the above undertakings, participating States commit to:

- enhance co-operation on police-related issues between and among themselves in order to address new risks and challenges to their security, both bilaterally and multilaterally, and, where appropriate, through increased contacts between relevant bodies; and,
- share OSCE expertise and lessons learned in police-related activities with other relevant international organizations of which they are members with a view to more effective international action to address these new risks and challenges to security.

6. The Permanent Council will review annually OSCE police-related activities, on the basis of an annual report on OSCE police-related activities from the Secretary General, with a view, *inter alia*, to considering how these activities might best contribute to addressing challenges to security, and to decide appropriate follow-up action in accordance with OSCE procedures.

DECISION No. 10
NEXT MEETING OF THE MINISTERIAL COUNCIL/SUMMIT
(MC(9).DEC/10)

The Ministerial Council,

Welcoming the offer of Portugal to host the next meeting of the Ministerial Council,

Decides that the Ministerial Council will take place in Porto in December 2002,
unless the Ministers, on the recommendation of the Permanent Council, otherwise decide.

DECISION No. 11
(MC(9).DEC/11)

The Ministerial Council decides that the Netherlands will exercise the function of the OSCE Chairmanship in the year 2003.

DECISION No. 12
CONCLUDING DOCUMENT OF THE NEGOTIATIONS UNDER
ARTICLE V OF ANNEX 1-B OF THE GENERAL FRAMEWORK
AGREEMENT FOR PEACE IN BOSNIA AND HERZEGOVINA
(MC(9).DEC/12)

The Ministerial Council,

Expressing its gratitude to Ambassador Henry Jacolin, the Special Representative of the Chairman-in-Office, and his collaborators for their excellent service in organizing and conducting the negotiations,

Welcomes the adoption of the Concluding Document of the Negotiations under Article V of Annex 1-B of the General Framework Agreement for Peace in Bosnia and Herzegovina;

Underscores the importance of the full implementation of the General Framework Agreement and regards the adoption of the Concluding Document as an important step in this process;

Also welcomes as a valuable contribution to the OSCE's efforts to combat terrorism the commitment entered into in the Concluding Document by the Article V participating States to prevent their respective territories from being used for the preparation, organization or commission of acts of extremist violence, including terrorist activities, against other participating States and their citizens.

DECISION No. 13/Corrected reissue*
REAPPOINTMENT BY THE MINISTERIAL COUNCIL OF
AMBASSADOR JAN KUBIS AS SECRETARY GENERAL
OF THE OSCE
(MC(9).DEC/13/Corr.1)

The Ministerial Council,

Recalling the decisions of the Ministerial Council at its third meeting in Stockholm in 1992 concerning the appointment of a Secretary General and his mandate,

Further recalling that the term of office of the current Secretary General expires on 14 June 2002, and that Ambassador Jan Kubis seeks reappointment,

Reappoints Ambassador Jan Kubis as Secretary General of the OSCE exceptionally for a period of three years with effect from 15 June 2002. This exception should not be construed as a change of the rules regarding the appointment of the Secretary General of the OSCE.

* Incorporates amendments to the title and text of the decision.

**V. REPORTS TO THE
BUCHAREST MINISTERIAL COUNCIL MEETING**

CHAIRMAN-IN-OFFICE'S ACTIVITY REPORT FOR 2001

Introductory remarks

During the year 2001, the OSCE was confronted by a complex and changing security environment. A tremendous amount of activity was carried out by all international organizations involved in the security of Euro-Atlantic area in searching for solutions to existing crises, through participation in meetings in which the shape and future of Europe was discussed, and in consultations aiming at better co-ordination among the various structures with a view to strengthening Europe-wide security and stability.

Responding to the crisis in the former Yugoslav Republic of Macedonia and to the 11 September terrorist attacks on the United States of America were high priorities on the Chairman-in-Office's agenda. In both situations, the Organization reacted quickly and effectively.

Taking over the Chairmanship, Romania wanted to ensure that the OSCE was addressing issues of concern to all participating States and their citizens in a practical and action-oriented way. The priorities and objectives of the Romanian Chairmanship were presented in the first address of the Chairman-in-Office to the Permanent Council on 11 January in Vienna. Among them were the observance of OSCE norms, principles and commitments; the strengthening of the OSCE as an active instrument for conflict prevention, early warning, crisis management and post-conflict rehabilitation; promoting the rule of law and human rights; strengthening the OSCE's activity in other areas such as the economic and environmental dimension; enabling it to cope with new security challenges such as organized crime and corruption, international terrorism and extremism; institutional consolidation of the OSCE; and strengthening co-operation with other international organizations acting in areas relevant to the OSCE.

The Chairmanship's ultimate goal was to contribute to the improvement of the political, economic and environmental security of the citizens of the OSCE participating States, based on the respect of human rights. A special concern was that the OSCE should pay more attention to regions that had been less in the international spotlight, such as the Caucasus and Central Asia.

The period under review is characterized by some positive developments in many OSCE participating States, notably in the Federal Republic of Yugoslavia. Yet, there are still far too many places with conflicts, economic and social inequalities, and lack of political freedom and intolerance. There are new threats that menace the societies of OSCE participating States, such as terrorism, organized crime, trafficking in human beings and drugs, as well as pervasive corruption.

"Frozen conflicts" became a matter of increased concern. There is a real danger they could develop their own dynamism. Regarding the withdrawal of foreign troops and ammunition, progress was made in implementing the Istanbul commitments, which should continue. Renewed efforts and approaches should re-launch the political settlement process in these areas.

The Chairman-in-Office visited almost all areas of tension and met with representatives of participating States and of international organizations and institutions. These meetings provided opportunities to discuss matters of interest to the OSCE. Intensified relationships were developed with Troika members (Austria and Portugal) and with the OSCE Secretariat and institutions. During the period under review, three OSCE ministerial Troika meetings were organized in Bucharest (23 January, 20 June and 2 December). On 22 and 23 January, the Chairman-in-Office met the OSCE Heads of Mission and on 25 April and 20 July he met with the ambassadors of the OSCE participating States in Bucharest.

Combating new risks to security

The 11 September attacks against the United States brought home more than any other single act the dangers from international terrorism to freedom, humanity and the security of the individual, values that the OSCE is committed to defend and uphold. The OSCE vigorously condemned these attacks and fully supported the creation of a broad international coalition against terrorism. Alongside other international organizations, it has begun to consider the specific contribution it can make to the international fight against terrorism. In his special address to the Permanent Council on 21 September, the Chairman-in-Office identified three areas where the OSCE can bring added value:

- Making use of political will and solidarity in committing to joint action, with an action-oriented decision on and a Plan of Action for combating terrorism to be adopted at the Bucharest Ministerial Council;
- Focusing attention on addressing root causes, such as economic and social isolation, which can be fertile ground for extremist ideologies, and fighting the “grey zones” of organized crime, including trafficking in people and arms;
- Acting as a bridge between regional initiatives in order to set common priorities.

In addition to the Plan of Action submitted to the Ministerial Council, an International Conference on Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism has been convened in Bishkek on 13 and 14 December. Participating States will discuss and share experiences regarding the prevention and combating of terrorism and related crimes throughout the OSCE area. Taking place ten days after the Ministerial Council, the Conference also provides the opportunity to begin implementation of the decisions and the contents of the documents adopted in Bucharest as well as other relevant international instruments.

In the process of combating organized crime, special attention was given to the illegal trafficking in human beings. The Chairmanship, in co-operation with the Southeast European Cooperative Initiative (SECI) Regional Centre, organized a regional Conference on Combating Trafficking in Human Beings and Illegal Immigration (Bucharest, 21 May 2001), which was attended by senior government and law enforcement representatives. The agreed conclusions of that meeting set out priorities for national, regional and internationally co-ordinated action to eliminate human trafficking, in which the Stability Pact Task Force on Trafficking in Human Beings should play a crucial role.

Regional issues

Regional issues in 2001 represented a major focus in the activities of the Chairman-in-Office and the OSCE as a whole.

South-Eastern Europe was a priority for the Chairmanship. The Chairman-in-Office visited all the OSCE's field presences in South Eastern Europe several times; he inaugurated the OSCE Mission in Belgrade; attended the Heads of Mission meeting in Belgrade; appointed a personal representative for the Stability Pact; encouraged dialogue, consolidation of democratic institutions, rule of law and respect for human rights, and regional co-operation; supported the preparation and scrutiny of electoral processes in the region - Kosovo being the most important case; addressed pressing issues such as the situation in the former Yugoslav Republic of Macedonia; and maintained awareness of region-wide problems.

The successful reintegration of the **Federal Republic of Yugoslavia** into the OSCE family represents a major contribution to the consolidation of democracy in that country and to the overall security and stability in Southern Europe. The OSCE Mission in Belgrade is co-operating closely with the authorities and is actively engaged in assisting them in their striving for full democracy and respect for human rights and fundamental freedoms, including the rights of persons belonging to national minorities. In this regard, co-operation with the Council of Europe is crucial. The Mission encouraged and supported a peaceful political solution to the crises in southern Serbia and committed itself to setting up confidence-building activities, especially in multi-ethnic police training. Further efforts should be made to consolidate the situation and implement the existing agreements in a full and timely manner. The Mission continues to support these efforts and is also active in areas such as judicial reform, the media and reform of election legislation. An OSCE office will be opened in Podgorica as of 1 January 2002.

On **Montenegro** the Chairman-in-Office's main message was to redefine the relations within the Federation through sustained dialogue. The OSCE supports the consolidation of democratic institutions in both Montenegro and Serbia as part of a democratic Yugoslavia. It is crucial that the Law on Referendum in Montenegro be agreed by all parties and that it be in line with international best practice, in order that the results of the referendum are accepted both nationally and by the wider international community.

Special attention was paid to developments in **Kosovo**. The 17 November elections, which the OSCE organized, were the most important event in the province this year, crucial to the building of a multi-ethnic society and to the functioning of the provisional self-government institutions, in accordance with United Nations Security Council Resolution 1244. Kosovo is one example of the co-operation between the OSCE and the United Nations in the preparation of elections, but also in other areas, such as training of the Kosovo Police Service (KPS) and the judiciary, and the protection of human rights.

To ensure the smooth functioning of the provisional institutions of self-government, the OSCE encouraged all members of the newly elected Assembly, as well as all ethnic communities, to fully participate in the process. Both UNMIK and OMIK will continue to co-operate and further exercise responsibilities specific to the development of a democratic multi-ethnic society in Kosovo. Lasting solutions to enduring issues - providing enhanced

security, the return of refugees and displaced and missing persons - will contribute to ensuring a secure environment.

The crisis in **the former Yugoslav Republic of Macedonia** was a huge challenge for the OSCE and its Chairmanship. In early March, violence between ethnic Albanian armed groups and Macedonian security forces near the Kosovo border brought the country to the brink of civil war. In co-operation with NATO and the European Union, the OSCE sought to bring about an enduring peace agreement. As Personal Envoy of the Chairman-in-Office in the former Yugoslav Republic of Macedonia, Ambassador Max van der Stoep's valuable contribution towards the conclusion of the Framework Agreement is acknowledged. The OSCE's efforts were directed towards the peaceful stabilization of the situation. In the first half of the mandate, the Chairman-in-Office attempted to facilitate an agreement between the Macedonian and Albanian leaders. After the signing of the Framework Agreement (13 August), the Chairman-in-Office focused on implementing all its provisions. To this end, an extended OSCE mission was needed. A first step was to double the international staff of the OSCE Mission to Skopje. Upon the Macedonian Government's request, the OSCE promptly accepted an increased role, including monitoring the return of refugees and police training. Currently, the OSCE Mission is one of the largest (over 200 international monitors).

In **Bosnia and Herzegovina**, the OSCE continued to assist in the process of creating adequate conditions for consolidating the country's institutions with a view to promoting a self-sustaining democracy as the external assistance and support gradually decreases. The OSCE assisted the authorities in elaborating, adopting and implementing the new election legislation and encouraged them to proceed with organizing future elections. The Chairman-in-Office supported the close co-ordination between the OSCE, the Office of the High Representative, the United Nations and its agencies, and SFOR, as we move into the next phases of peace implementation in Bosnia and Herzegovina. The Chairman-in-Office is also concerned about the resistance of the nationalist leaders to the implementation of the Dayton Agreement and about the continued slow pace of the return of refugees and internally displaced persons throughout the region.

In **Croatia**, the OSCE continued to support the country in meeting OSCE commitments and pursuing its European integration objective. The mid-year review assessed the Mission's structure and strength as well as the developments in Croatia. Drawing on these, a continuation of the teamwork by the OSCE and the Croatian Government in the remaining areas of mutual interest was called for and a decision was taken regarding a reduction of the international staff of the Mission. Further restructuring of the Mission is envisaged as a function of the progress achieved by Croatia in meeting its commitments. Advances have been achieved in democratization, the media and the police. As far as the return and reintegration of refugees (including repossession of property, reconstruction and social reinsertion), as well as legislation reform and law enforcement are concerned, there is still much to be done. The OSCE Mission and the Croatian Government should also focus on civil-society building, especially in the war-affected areas.

In **Albania**, the major objective of the OSCE for 2001, namely ensuring a successful parliamentary election process, was achieved. The Office for Democratic Institutions and Human Rights (ODIHR) and the OSCE Presence, together with other international organizations, devoted special attention to the holding of free and fair elections in accordance with all OSCE standards. The ODIHR final report stated that these elections marked progress over previous ones in terms of conduct of the campaign and provided an opportunity for

further consolidation of democratic standards. Serious shortcomings were noted during the five rounds of voting between 24 June and 19 August 2001. The OSCE urged political parties to engage in genuine and future-oriented dialogue, in accordance with the constitutional framework, in order to overcome these irregularities. The OSCE Presence in Albania assisted the Government and local authorities in combating organized crime, trafficking of drugs, arms and human beings, and corruption, and in monitoring weapon collection. Decentralization, civil-society building and economic and environmental issues have also been part of the OSCE's agenda in that country.

The Chairman-in-Office commended and supported the joint initiative of the Heads of the OSCE Mission in Croatia, Bosnia and Herzegovina and the Federal Republic of Yugoslavia in establishing a framework of enhanced co-operation on return issues in South Eastern Europe. The Governments of Croatia, Bosnia and Herzegovina and the Federal Republic of Yugoslavia also welcomed this initiative and expressed their commitment to co-operate with each other and continue working with the OSCE and with other international organizations on this issue. The Chairmanship regards this as an important positive development.

The Romanian Chairmanship noted the role and contribution of **Stability Pact** activities in South Eastern Europe, including achievements on regional issues, which are also of concern to the OSCE. Mr. Alexander Rondos was appointed as Personal Representative of the Chairman-in-Office on Relations between the OSCE and the Stability Pact. Together with the European Union Stabilisation and Association process, the Pact is facilitating major projects of economic and political significance for South Eastern Europe. The OSCE is directly involved with the Stability Pact in a number of areas, particularly under Working Tables I and III. The Stability Pact Second Regional Conference took place in Bucharest on 25 and 26 October 2001.

The OSCE is pursuing its own programmes in the countries of South Eastern Europe, such as good governance and anti-corruption projects, development of non-governmental organizations (NGOs) and independent media, and promotion of multi-ethnicity in education and the public sector, including police forces.

The OSCE's activities in **Georgia** are complex. In South Ossetia there were some positive developments towards the settlement of the Georgian-South Ossetian conflict, and the momentum has recently been stepped up, but a comprehensive solution is still elusive. At the Bucharest meeting of the experts' group on political issues, the sides agreed to continue negotiations on modalities and concrete proposals relating to financial assistance in support of the conflict settlement mechanism. The agreement provided the basis for international financial assistance and for regular meetings of the Joint Control Commission and experts. The agreement on confidence-building measures confirmed that the sides share similar views on a number of issues. All sides acknowledged the role of international organizations in general and the OSCE and the European Commission in particular in rehabilitating the conflict zone. The full-scale resolution of the conflict has yet to be achieved. Although the OSCE Mission in Georgia is not directly involved in the peace negotiations, its facilitating role will be of the utmost importance.

The running border monitoring operation of the OSCE Mission to Georgia is a clear success. The OSCE participating States are considering the prospect of extending the monitoring activities to the Ingush segment of the border.

Some progress on the implementation of the Istanbul commitments has been achieved this year, particularly regarding the Vaziani and Gudauta military bases. Further progress is expected with a view to full compliance with the Istanbul commitments.

Since the beginning of the year, a number of consultation and meetings have been held on the settlement of the **Nagorno-Karabakh** dispute. Meetings between President Kocharyan and President Aliyev were encouraging. The visits by the Chairman-in-Office and the European Union Troika to the region showed the importance attached to the South Caucasus and to the settlement of the Nagorno-Karabakh conflict. During the year, the Chairman-in-Office had several meetings with the co-chairmen of the Minsk Conference and gave full support to their efforts during the period. The mechanisms of the Personal Representative for the Conflict Dealt with by the Minsk Conference and the High-Level Planning Group have been instrumental in building trust and understanding by implementing a series of confidence-building measures in the area of conflict.

Chechnya - the Assistance Group's return is one of the major successes of the OSCE this year. The measures taken by the Russian authorities to make possible the return of the Assistance Group (AG) are commendable. The Chairman-in-Office inaugurated the office in Znamenskoe, and since mid-June all sides have worked to ensure the necessary security conditions for the AG's staff. This has been a long and difficult process and has opened the way to greater and effective co-operation between the Russian Government and the OSCE. The resumption of the AG's activities has contributed to alleviating pressing humanitarian needs inflicted by the conflict. In the field of human rights, the Assistance Group has worked closely with the Special Representative of the Russian President for Human Rights in Chechnya, Mr. Vladimir Kalamonov, and with representatives of Council of Europe. The OSCE is determined to continue to promote a political solution to the conflict and to facilitate the humanitarian assistance required to stabilize the situation in Chechnya.

In **Estonia and Latvia**, the OSCE Missions provided assistance to the Governments in fulfilling the tasks identified in the Chairmanship's Guidelines issued in 2000. A joint working visit by the Chairman-in-Office and OSCE representatives in Riga, Tallinn and Narva (January-February 2001) led to the assessment that the two countries have made considerable progress towards democratization and naturalization among non-citizens, and integration and mutual understanding between ethnic communities. The OSCE will continue to support the efforts of Estonia and Latvia in these areas.

In **Belarus**, the OSCE Advisory and Monitoring Group (AMG) continued to support the democratization process and the establishment of conditions for free and fair presidential elections in accordance with its mandate established in 1997. The presidential elections in September were to constitute an important step in the democratic transition of Belarus towards the mainstream of European democracies. However, in spite of the AMG's efforts from the international community, the electoral process and campaign in Belarus failed to meet OSCE standards. The international observers noted some progress in the democratization process of the country, the most important being the emergence of civil society as a potential alternative to the authoritarian leadership. The prevailing opinion is that the international isolation of the country would be counter-productive. The OSCE will try to open a new chapter of co-operation with the authorities, democratic structures and civil society, urging them to pursue the process of truly democratic reforms and consolidation of civil society.

The OSCE priority in **Moldova** was to encourage fulfilment of the Istanbul commitments regarding the withdrawal of foreign troops, ammunition and military equipment and to facilitate the negotiation process for a political settlement of the crisis. The OSCE Mission and its Head had an active role in supporting the withdrawal and the negotiation mechanism.

The first deadline of the Istanbul commitments - withdrawal/reduction of the CFE Treaty-limited conventional armaments and equipment held by the Operative Group of Russian Forces stationed in Moldova - was completed ahead of schedule in November 2001. The Chairman-in-Office commended the Russian Federation for this achievement. The OSCE Mission in Chisinau has deployed sustained efforts, and participating States have provided valuable support. The contributions to the Voluntary Fund represent tangible proof of the international community's increased involvement in this issue. The Chairman-in-Office expresses hope that the Russian authorities will pursue the same course of action in fulfilling their Istanbul commitments on withdrawal and destruction of remaining troops and ammunition by the end of 2002.

There is little cause for optimism regarding agreement on the status of the Transdnestrian region of the Republic of Moldova. In spite of efforts to reach a compromise, the Transdnestrian side continued to obstruct the negotiation process, acting as a base for organized crime, including activities such as smuggling and trafficking in human beings. In this respect, the possible agreement between Moldova and Ukraine on establishing joint custom posts will be an effective means of ensuring strict border and customs control, enhancing Moldavan sovereignty and helping to increase European security.

In **Ukraine**, the OSCE continued to support the efforts to improve human security and the respect of human rights and to fight against corruption. Respect of freedom of the press and assembly, parliamentary independence, the rule of law and human rights are critical to Ukraine's efforts to continue on her path of democratization, economic reform and integration into European and Euro-Atlantic institutions. On 8 and 9 October, Ukraine hosted the OSCE Seminar on Preventive Functions of the OSCE: Experience, Possibilities, and Tasks, with the participation of representatives of international organizations and NGOs, together with OSCE officials.

International focus on **Central Asia** increased during this year. The Chairmanship emphasized the necessity to reinforce and redirect ongoing OSCE activities while pragmatically taking into consideration the needs and priorities of the countries in the region.

The Chairman-in-Office's visits to **Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan** and **Uzbekistan** took place under the "Ten Years of Independence of the Central Asian countries" theme. The key message delivered was that the OSCE is committed to constructively engaging these countries across all three dimensions. The increased focus on the region involved a long-term approach to security issues, democratic reforms and more prominent economic activities while avoiding duplication of activities with other actors present in the region. The Chairman-in-Office offered a "win-win" partnership, with the OSCE making use of all available instruments to develop specific projects in the economic and environmental fields and to raise the international community's awareness of security and humanitarian issues. In turn, the Organization expects the implementation of human dimension commitments.

The Chairman-in-Office's particular focus on the region was also reflected in the appointment of one of the leading experts on Central Asia, Ambassador Wilhelm Höynck, as Personal Representative of the Chairman-in-Office for tasks in support of participating States from Central Asia. In this capacity Ambassador Höynck visited the region to develop new activities with particular attention to regional and multilateral aspects of co-operation in the economic and environmental dimension as well as in the security framework.

At the same time, OSCE field presences were encouraged to become more active, provide better territorial "coverage" and develop new concrete projects together with the relevant partners in their countries. One of the goals was to ensure consistency with OSCE objectives in the field of election legislation, respect for human rights, freedom of expression and belief in parallel with the implementation of new initiatives.

While acknowledging that the OSCE is equipped and willing to do more with regard to security and the economic and environmental fields, the Chairmanship re-affirmed the need to rebalance the Organization's three-dimension approach while maintaining its core activity, which is implementation of the human dimension.

Another sensitive area of regional and interregional co-operation where co-ordinated actions can bring added value is the fight against terrorism and organized crime. In this respect, the Chairman-in-Office presented and developed the "SECI Initiative", with dialogue and co-operation between the Bucharest Regional SECI Centre and the institutions concerned in the Central Asian countries representing the first steps towards a strategy and action-oriented co-operation in this topical field.

The OSCE can provide a useful balance in bringing together existing initiatives. Interactive dialogue can be transformed into concrete results only if regional co-operation, further reinforced by the OSCE, benefits from a regionally co-ordinated response. The OSCE and the international community share an interest in seeing a stable security situation in the region and greater regional co-operation taking hold among the countries there.

Responding to concerns of participating States in Central Asia about international terrorism, organized crime and drug and arms trafficking and to the tragic events of 11 September 2001, the OSCE has made its own valuable contribution. The Bishkek International Conference on Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism, to take place later this month, offers the opportunity to adopt a concrete programme of action as a first follow-up to the Bucharest Plan of Action. It will encompass specific challenges and needs in Central Asia in particular and initiate a long-term action-oriented process, assisting Central Asian States to combat the threat of terrorism.

Economic and environmental issues

The Romanian OSCE Chairmanship regards economic and environmental issues as part of the OSCE comprehensive approach, as relevant to security, and therefore made strengthening of the Economic and Environmental Dimension of the OSCE one of its priorities. The Chairmanship continued to promote co-ordination between the participating States, OSCE institutions and missions, and between the OSCE and other partner

organizations. The general objective was to identify the most appropriate ways and means of rendering the OSCE's economic and environmental activities more effective, both at headquarters and in the field. The Romanian Chairmanship initiated a discussion on the role of the OSCE in addressing security risks in the economic and environmental field and on the best ways to increase the efficiency of our instruments. Several informal open-ended meetings were convened in Vienna. The general consensus was that the OSCE should consider economic and environmental issues on a regular basis and in a more systematic way. A draft decision was prepared regarding the establishment of an informal open-ended subsidiary committee of the Permanent Council for economic and environmental aspects of security and co-operation in the OSCE area.

The Ninth Meeting of the OSCE Economic Forum was organized in Prague from 15 to 18 May 2001 and focused on "Transparency and Good Governance in Economic Matters". It was opened by the Chairman-in-Office. Issues such as improving the legislative process, reform of public administration, subsidiarity, fighting corruption, promoting small and medium-size enterprises, environmental governance, regional co-operation and improving inter-institutional co-operation were discussed and numerous recommendations emerged. Three preparatory seminars on the theme of the Economic Forum covering the whole OSCE area preceded the Forum: one in Almaty on 2 and 3 November 2000, one in Brussels on 30 and 31 January 2001 and one in Bucharest on 27 and 28 March 2001. The seminar in Brussels was organized jointly by the OSCE and the European Commission, reflecting the spirit of the Platform for Co-operative Security. The preparatory process and the Forum itself benefited from substantive contributions and major participation from other international organizations, OSCE institutions (including the OSCE Parliamentary Assembly), field presences, civil society and business associations.

After the Economic Forum, the Chairmanship and the Office of the Co-ordinator for Economic and Environmental Activities (OCEEA) worked closely to ensure an appropriate follow-up. Proposals and recommendations made at the Forum as well as inputs from delegations and field presences were attentively considered. The OCEEA prepared and circulated a "Plan for Action to Implement the Recommendations of the Ninth OSCE Economic Forum".

The Chairmanship constantly emphasized the importance of transparency and good governance. In promoting transparency and good governance, the OSCE continued to co-operate intensively with the relevant international organizations, international financial institutions, regional organizations and initiatives, such as the United Nations Economic Commission for Europe (UNECE), the World Bank, the European Union, the European Bank for Reconstruction and Development, the Council of Europe, and SECI. It was represented in important international meetings such as the Global Forum II on Fighting Corruption and Safeguarding Integrity (The Hague, 28 to 31 May 2001) and the 10th International Anti-corruption Conference (Prague, 7 to 11 October 2001). It also helped to organize an international colloquium on "The Role of the Economic Dimension in Conflict Prevention in Europe", hosted by the UNECE in Villars on 19 and 20 November 2001.

Issues relating to the environment and security were thoroughly analysed during a follow-up seminar to the Seventh and Eighth OSCE Economic Forums, devoted to the theme of "Strengthening the OSCE's Role in the Realm of Environment and Security". The seminar was organized by the Governments of Germany and Switzerland in Berlin on 3 and 4 July 2001.

Given the unique expertise of OSCE field presences, their involvement has been central to the Chairmanship's approach to the Economic and Environmental Dimensions. The OCEEA and the Romanian Chairmanship organized a Training Seminar for Economic and Environmental Officers in Sinaia, Romania, on 16 to 19 September 2001. The event, also attended by representatives of partner organizations, produced fruitful and action-oriented discussions and proved instrumental in sharing best practices and shaping regional initiatives.

Special attention has been devoted to Central Asia. Representatives of the Chairmanship participated in the Economic and Environmental Officers' Regional Meeting in Bishkek on 23 and 24 April 2001, convened on the occasion of the Regional Heads of Mission Meeting, and stressed the need for promoting good governance and regional co-operation. A special session of the Economic Forum addressed the topic of "Improving border control in order to contain drug trafficking without impeding the normal flow of trade and the free movement of people in Central Asia".

A session devoted to economic and environmental issues and regional co-operation was included in the agenda of the regional Heads of Mission Meeting in Bezanec, Croatia, on 24 and 25 September 2001. In South Eastern Europe, as a result of the discussions during the Economic Forum and thereafter, the OSCE will seek closer co-operation with SECI in combating organized crime and corruption, and in promoting SME development and regional co-operation. Co-operation will be also fostered by the Stability Pact, particularly in the field of the environment. The OSCE missions in the region will be actively involved.

The Human Dimension

In 2001, the Romanian Chairmanship paid increased attention to issues relating to human security, particularly to the security of the individual. This concept covers democracy, respect for human rights and cultural diversity, the fight against violence or organized crime and promotion of the democratic activities of civil society.

The Chairman-in-Office, in co-operation with the ODIHR, organized **the first OSCE Supplementary Human Dimension Meeting devoted to freedom of expression** on 12 and 13 March 2001. The meeting underlined the importance of free media in a democratic society and the need to address the challenges created by this issue throughout the OSCE area. The need for broader access to information technologies was recognized. In this respect, the OSCE Representative on the Freedom of the Media has undertaken valuable efforts to involve the media in awareness-raising and the fight against racism and intolerance.

At the instigation of the Romanian Chairmanship, the OSCE Working Group on equal opportunities for women and men organized a **meeting on violence against women** on 8 June. The participants acknowledged that violence against women is a violation of women's rights and fundamental freedoms. Over the years, participating States have paid attention to the problem of violence against women and have developed specific actions to eliminate this form of violence. Special emphasis was placed on the role of the OSCE in combating this phenomenon.

The second OSCE Human Dimension Supplementary Meeting (18 to 19 June) was devoted to **promoting tolerance and non-discrimination**. The object of the meeting

was to examine the main educational, legal and administrative measures adopted by the OSCE participating States to combat intolerance and discrimination, and to develop recommendations for fostering multiculturalism in the OSCE area.

Meanwhile, the Chairman-in-Office tried to identify an adequate approach to the issue of the protection of national minorities. Empowering local administrations, involving and giving free access to ethnic minorities in the decision-making process, respecting the fundamental rights of the individual and making citizens' prosperity the central objective of the public policy are concrete steps towards an integrated society.

The **High Commissioner on National Minorities** (HCNM) proved to be a major asset to the Organization in his continued efforts to seek and identify early solutions to ethnic tensions. His mandate, focusing on **protection of minorities rights and promoting multiculturalism**, defines the modern concept of human security. By pleading for cultural diversity, he encouraged participating States to take concrete steps to create the space for cultural expression and development for all within the limits of the law, in order to create opportunities, both in the private and public domains, for the maintenance and development of cultural identities.

The HCNM's preoccupation with national and ethnic minority education and participation in public life was also emphasized during his address to the Bucharest OSCE Conference on Roma and Sinti issues.

The Chairman-in-Office, in co-operation with the ODIHR and the delegation of the European Commission in Romania, organized the **Conference on Roma and Sinti issues** from 10 to 13 September in Bucharest. Over 300 people attended, including Roma community representatives from all over Europe. The goal of the conference was to draw up recommendations that could form the basis of an OSCE action plan on Roma issues. These include involving Roma representatives in preparing, implementing and monitoring national and local administration strategies; increasing Roma participation in political life through training future leaders and through voting; ensuring protection, including asylum, for Roma communities in crisis and post-crisis situations; and providing access to public services. OSCE-specific recommendations included supporting meetings with governments and NGO partners from outside the OSCE region, including more Romani officers in OSCE missions, and strengthening the role of the ODIHR Contact Point on Roma and Sinti in helping governments and NGOs to monitor anti-discrimination measures.

In May 2001, the **Office for Democratic Institutions and Human Rights** organized the annual seminar on "**Election Processes**" in Warsaw, an event that marked ten years of involvement by the ODIHR in election observation. The seminar established a direct link between the democratic evolution of a country and the rule of law, concentrated on the effective participation of minorities in the electoral processes, and paid special attention to consolidation of assistance in the electoral field, as well as the role of domestic observers in elections.

According to the international standards in the field, the ODIHR has provided assistance to the presidential elections in Belarus and general elections in Albania and had an important role in the recent region-wide elections in Kosovo.

The annual **Human Dimension Implementation Meeting** (HDIM) offered an opportunity to analyse and assess implementation by the OSCE participating States of the OSCE commitments in the fields of the rule of law, democratic institutions, tolerance and non-discrimination, refugees and internally displaced persons, and respect for fundamental human rights and freedoms. In the interest of enhancing the effectiveness of the 2001 HDIM, the modalities for making recommendations were revised. The meeting was regarded as a cornerstone for building confidence and a substantial link to the relevant political agenda of the OSCE.

The Chairman-in-Office co-organized a seminar with the Netherlands in The Hague, devoted to “**Freedom of Religion or Belief in the OSCE Region: Challenges to Law and Practice**”. He stressed the OSCE’s aim of contributing to the creation of a Europe in which religious freedom and tolerance are a reality for everyone: a truly multi-ethnic, multicultural and multi-faith Europe. The OSCE and in particular the ODIHR have been encouraged to integrate respect for freedom of religion and belief into programmes for the promotion of tolerance and human rights. In addition, OSCE missions should pay increased attention to problems arising in this field and to their solutions, with special attention to some Central Asian countries.

The **third OSCE Supplementary Human Dimension Meeting “Human Rights: Advocacy and Defenders”** considered specific challenges to both NGOs and governmental institutions in connection with the defence and training human rights activists. Particular emphasis was placed on defending human rights bodies and activities in the context of armed conflicts and internal tensions.

On 2 April, the Romanian Chairmanship invited the Permanent Council delegations to participate in a **panel discussion about the spiritual dimension of Europe and the role of the OSCE in this context**. Guest panel speakers representing religious bodies and research institutes were invited to address this topic. Mr. Andrei Plesu, Romanian philosopher and former Minister of Foreign Affairs, moderated the discussions. Most panel speakers agreed that inter-religious dialogue and spiritual and ethical values should continue to be included in the debate on European security.

Politico-military aspects of security

The Chairmanship continued the activities within the politico-military dimension of the OSCE. Reflection on fostering the role of the OSCE focused particularly on the relations between the Permanent Council and the Forum for Security Co-operation (FSC).

General Claudio Zappulla was appointed as the new Personal Representative for the Article II/Vienna Agreement on Confidence- and Security-Building Measures in Bosnia and Herzegovina and the Article IV/Florence Agreement on Sub-Regional Arms Control. The Chairman-in-Office has been in close contact with the Personal Representative, supporting the full implementation of the two Agreements.

The Chairman-in-Office closely followed the Negotiations under Article V of Annex 1-B of the General Framework Agreement for Peace in Bosnia and Herzegovina and welcomed the adoption of the Concluding Document.

Representatives of the Chairman-in-Office attended the seminar on Military Doctrines organized in Vienna under the auspices of the FSC. The conclusions and recommendations of the seminar were duly considered.

Relations with Mediterranean Partners and Partners for Co-operation

According to the existing practice, the Chairman-in-Office entrusted the task of chairing the Contact Group with the Mediterranean Partners for Co-operation (MPCs) in 2001 to Portugal, as incoming Chair. During the year, the Contact Group met on a regular basis once a month, receiving, *inter alia*, regular briefings on OSCE activities by the Representative of the Chairman-in-Office in Vienna. A workshop for representatives from Mediterranean Partners and Partners for Co-operation countries was organized on “Challenges and Opportunities in Economic Development” (Vienna, 25 and 26 June 2001).

The **Annual OSCE Mediterranean Seminar** was held in Dubrovnik on 30 and 31 October 2001 on “The implementation of the OSCE Economic and Environmental Dimension commitments - The OSCE experience and its relevance for the Mediterranean Region”. The seminar was attended by representatives from all six OSCE Mediterranean Partners, numerous OSCE participating States, the OSCE Parliamentary Assembly, other international organizations, the United Nations High Commissioner for Refugees, the Council of Europe and the Organization of the Islamic Conference, as well as civil society. The seminar looked at issues such as institution-building, transparency in the decision-making process, co-operation with civil society, good governance and management of shared resources. Representatives of OSCE field presences briefed the participants on different types of OSCE activities in the economic and environmental dimensions. Participants agreed that the Contact Group in Vienna needed to be better utilized, and that economic and environmental aspects of security should be integrated into the regular discussions, thus ensuring a follow-up to the seminar. Complementarity with other organizations, particularly the European Union, should also be pursued. Among practical recommendations, it was re-emphasized that the participation of the Mediterranean Partners in different OSCE events and activities, including visits to the field presences, was a useful exercise and should be intensified.

During the period under review, the OSCE maintained and developed good contacts and co-operation with the Partners for Co-operation. The Partners’ continued interest in OSCE activities and work was recognized. Their contribution and willingness to sustain it in support of the efforts of the international community, including the OSCE, are highly appreciated.

A joint OSCE-Republic of Korea Conference on the “Applicability of OSCE CSBMs in North-East Asia” was organized in Seoul from 19 to 21 March 2001. In his address, the Chairman-in-Office focused on the special significance of the Conference, which provides an opportunity to present the OSCE’s experiences and the lessons learnt from them. He concluded that the key message of this Conference was the need to further develop the multifaceted dialogue between the OSCE and its Partners for Co-operation, to encourage and to creatively continue the search for appropriate forms of co-operation between the countries from their region to complement existing ones.

The meeting of the OSCE Troika at a ministerial level with all OSCE Partners was organized on 2 December during the Bucharest Ministerial Council.

Co-operation with other international organizations and institutions

The governing principle of the Romanian Chairmanship was to work in close synergy with other international organizations, notably the United Nations, NATO, the European Union and the Council of Europe, as well as other more specialized agencies such as the United Nations High Commissioner for Refugees and the International Organization for Migration.

The Chairman-in-Office met with the heads of other international organizations such as the United Nations, the European Union, NATO and the Council of Europe to discuss concrete measures for enhancing co-operation, i.e., setting up compatible structures, developing common recruitment and training standards, enhancing co-operation between headquarters and the field, and identifying new areas of co-operation and establishing mechanisms for efficient interaction.

During his meeting with the United Nations Secretary-General, Mr. Kofi Annan, the Chairman-in-Office reiterated his determination to strengthen co-operation between the two organizations, based on the principles of complementarity and a clear division of labour. On 29 January, the Chairman-in-Office addressed the United Nations Security Council in New York. This was the first time an OSCE Chairman-in-Office has been invited to meet the Security Council as a whole and discuss the comprehensive area of co-operation between the United Nations and the OSCE. On 28 to 30 March, the Chairman-in-Office paid a visit to Geneva and had meetings, among others, with the United Nations High Commissioner for Human Rights, the United Nations High Commissioner for Refugees, the President of the World Economic Forum and the President of the International Committee of the Red Cross. The Chairman-in-Office addressed the 57th session of the United Nations Human Rights Commission.

Enhanced co-operation with the European Union, including co-operation in the field, was developed. The Chairman-in-Office met European Union Presidency Foreign Ministers (Sweden and Belgium) and discussed areas of common action. The same spirit of co-operation and mutual reinforcement prevailed in contacts and visits with Commissioner Christopher Patten and High Representative Javier Solana. Working-level meetings and discussions also took place to enhance inter-institutional information exchange based on the principles of complementarity and compatibility.

During Chairman-in-Office meetings with the Secretary General of the North Atlantic Treaty Organization, Lord Robertson, the need for increasing co-operation at both political and expert level was stressed. The Chairman-in-Office addressed the Foreign Ministers' Session of the Euro-Atlantic Partnership Council (EAPC) in Budapest on 30 May and the NATO/EAPC meeting in Brussels on 27 November. The practice of meetings at expert level, both in Vienna and in Brussels, has continued.

Co-operation with the Council of Europe has been intensified. On 24 April, the Chairman-in-Office addressed the Parliamentary Assembly of the Council of Europe. Three major groups of common priorities were identified: human rights and minority issues,

advancing the process of democratization, and addressing new risks and challenges. The field offices of the Council of Europe and the OSCE missions co-operate closely in Kosovo, the Federal Republic of Yugoslavia and Chechnya. The OSCE-Council of Europe "2+2"/"3+3" high-level meetings took place on 11 April in Bucharest and on 30 October in Vaduz, focusing on current issues of concern to both organizations. On 12 July, Mr. Walter Schwimmer, Secretary General of the Council of Europe, addressed the Permanent Council in Vienna. A meeting of senior officials took place on 20 July in Strasbourg.

The basis for this joint action is the Platform for Co-operative Security. It serves as an instrument for enhanced interaction between organizations and institutions concerned with the promotion of comprehensive security. The overriding principles of the Platform for Co-operative Security - complementarity and synergy - were at the core of the concerted efforts of the international organizations to address and resolve all common problems.

Besides informal permanent consultations and contacts with the OSCE Parliamentary Assembly, the Chairman-in-Office attended the Standing Committee meeting in Vienna and the 10th Annual Session of the OSCE Parliamentary Assembly in Paris. He expressed support for initiatives launched by the President of the OSCE Parliamentary Assembly, such as establishing a Trans-Asian Parliamentary Forum, holding winter sessions in Vienna and establishing a Parliamentary Assembly liaison office in Vienna. The President of the Parliamentary Assembly, Mr. Adrian Severin, addressed the Permanent Council on 30 August.

Administrative and budgetary issues

The budget adopted on 14 December 2000 ran to about 169 million euros. Responding to the developments in the OSCE with direct implications for the operational activity of the Organization, 15 decisions on supplementary budgets were adopted during 2001. As a result, the current OSCE budget runs to about 204 million euros. Discussions on the budget for 2002 are running according to schedule.

A new scale of contributions for large OSCE missions and projects was adopted. The Chairmanship continued to pay attention to the issue of contributions. A working group was established to review the Helsinki Scale. Discussions on this matter are ongoing.

At the same time, a broader process aimed at setting a well-defined framework for the functioning of the OSCE and putting the Organization on a more solid base is underway. Significant progress has been made in negotiating the new Financial Regulations and Staff Regulations. Important steps have been taken in the process of IT review and in improving the management of the Organization. These elements are crucial to the smooth functioning of the Organization and their importance should be emphasized at all stages.

Strengthening the OSCE and streamlining its activity

With a view to strengthening political dialogue and streamlining the Organization's activity, the Chairmanship initiated consultations and took concrete measures to improve the agenda of regular Permanent Council meetings, streamline reporting on OSCE field

activities, to increase the efficiency of preparatory committees, establish working groups on police activities, legal capacity and criteria for new partners for co-operation, and to increase transparency in the decision-making process.

The Chairman-in-Office launched a process of informal consultations on strengthening the OSCE's role. Open-ended meetings were held, emphasizing the readiness of the Chairman-in-Office and the participating States to reflect on the Organization's political role, its broad objectives, priorities and working methods. Concrete suggestions were made. The Working Group on OSCE Reform considered ways of strengthening the OSCE's role in the European and international security framework and on improving the coherence of action of the OSCE's institutions and field operations.

The Working Group charged with developing recommendations concerning future applications for partnership status accomplished its task and presented a report. The Working Group on Police-Related Activities has held four informal meetings, including one at the level of government experts, thereby contributing in very concrete ways to the broader discussion on strengthening the OSCE's role. As to the activity of the Working Group on Legal Capacity, the Chairman-in-Office strongly urged that a solution to that issue be found before the end of the year.

**LETTER FROM THE CHAIRPERSON OF THE FORUM FOR
SECURITY CO-OPERATION TO THE MINISTER FOR
FOREIGN AFFAIRS OF ROMANIA, CHAIRMAN OF
THE NINTH MEETING OF THE MINISTERIAL
COUNCIL OF THE OSCE**

Your Excellency,

As Chairperson of the Forum for Security Co-operation (FSC) in November 2001, I have the honour to inform you of the Forum's activities since the Eighth Meeting of the Ministerial Council in November 2000.

The Forum has continued its essential task of closely following the implementation of the Vienna Document, the Code of Conduct on politico-military aspects of security and other OSCE documents relating to politico-military matters. The Forum also paid attention to the implementation of the OSCE Document on Small Arms and Light Weapons (SALW), which entered into force in November 2000. As part of its regular examination of how these agreed confidence- and security-building measures are functioning, the FSC has also looked into practical ways of improving their implementation. Other notable activities were the following:

- In order to enhance the full implementation of all CSBMs and, in particular, of the Vienna Document 1999, the FSC held its Annual Implementation Assessment Meeting from 26 to 28 February 2001. Based on the reports of the Chairman and the Working Group Rapporteurs as well as on a survey of suggestions, the Meeting discussed several practical problems that had been encountered concerning implementation of some provisions of the Vienna Document 1999. Apart from drawing some general conclusions, the Meeting prepared a Draft Decision on the Implementation of Data Exchanges Relating to Major Weapon and Equipment Systems, which FSC adopted at its 342nd Plenary on 14 November 2001.
- The FSC held extensive discussions on the implementation of the OSCE SALW document to assist participating States in the preparations for the first information exchange held on 30 June 2001. Recognizing the need to review this first round of the OSCE SALW document information exchange, and to provide for an exchange of views and experience among national experts dealing with implementation aspects of the SALW document, the Forum adopted Decision No. 5/01 to hold a SALW workshop in Vienna on 4 and 5 February 2002.
- Pursuant to FSC Decision No. 8/00 of 25 October 2000, the Forum conducted a Seminar on Military Doctrines and Defence Policies in the OSCE Area from 11 to 13 June 2001. Over 250 representatives from the OSCE participating States, as well as a number of international organizations, took part in the seminar. More than 20 participating States gave presentations on their national military doctrines and defence policies during FSC plenary meetings prior to the seminar and in the course of the seminar itself.

- On 20 June 2001, after lengthy discussions in the FSC and among experts, the Forum, by adopting FSC Decision No. 3/01, established a back-up procedure for the operation of the OSCE Communications Network. In accordance with this decision, the Central Mail Server was successfully relocated from The Hague to Vienna and became operational at the new site. In taking the decision, the Forum expressed its appreciation to the Ministry of Foreign Affairs of the Netherlands for its operation of the network over the last decade.

On 29 October 2001, Yugoslavia joined the network, bringing the number of connected participating States to 39.

Participating States stand ready to resume negotiations on phase 2 on modernization of the Communications Network and believe that the nomination of a Project Management Team Leader from the participating States will be helpful in this regard. The FSC will also continue to pursue the expansion of network connectivity to all participating States, thereby enhancing future confidence- and security-building efforts.

- As part of the security dialogue, the Forum directed much of its attention to new risks and challenges in the OSCE area, and to ways in which the FSC deal with them. Following the terrorist attacks in the United States on 11 September 2001, this discussion took on a new urgency. The FSC initiated a focused discussion on countering terrorism, and presented a contribution to the work of the OSCE informal open-ended Working Group on Combating Terrorism.
- At a joint meeting with the OSCE Permanent Council on 19 July 2001, the Forum noted with satisfaction the conclusion of the negotiations under Article V of Annex 1-B of the General Framework Agreement for Peace in Bosnia and Herzegovina. The Forum was also kept regularly informed of the implementation of Articles II and IV of Annex 1-B. The Forum, moreover, also received regular reports on developments in the Joint Consultative Group of the Treaty on Conventional Armed Forces in Europe.
- The Forum noted with satisfaction that the Open Skies Treaty will enter into force on 1 January 2002.
- In the light of the constantly evolving security environment, the Forum dedicated much attention to its role within the framework of the reform of the OSCE. *Inter alia*, the debate covered topics such as the Forum's future activities to meet new security challenges, the involvement of the Forum in current security issues, how to make better use of the Forum's politico-military expertise and the need to improve the organizational efficiency of the Forum. The outcome of this discussion was presented in the "Draft Proposal of the FSC to the Permanent Council/Ministerial Council on the Document on OSCE Reform", reflecting a broad understanding in the FSC in the matter.

Your Excellency, you might deem it useful to reflect these developments in appropriate documents of the Ministerial Council.

**LETTER FROM THE CHAIRPERSON OF THE JOINT
CONSULTATIVE GROUP TO THE MINISTER FOR FOREIGN
AFFAIRS OF ROMANIA, CHAIRMAN OF THE NINTH MEETING
OF THE MINISTERIAL COUNCIL OF THE OSCE**

Your Excellency,

In my capacity as Chairperson of the Joint Consultative Group, I have the honour to inform you about the Group's activities since the Eighth Meeting of the Ministerial Council of the OSCE, which took place in Vienna, November 2000.

Throughout this period, the Joint Consultative Group has kept the OSCE informed through regular briefings delivered to the Forum for Security Co-operation and informal consultations conducted at the level of individual delegations.

The States Parties to the Treaty on Conventional Armed Forces in Europe (CFE Treaty) met in Vienna from 28 May to 1 June 2001 to review the operation and implementation of the CFE Treaty at the Second Review Conference. They reaffirmed the fundamental role of the CFE Treaty as a cornerstone of European security, their determination to fulfil all obligations arising from the Treaty and its associated documents and their intention to satisfy, in a timely manner, all commitments associated with the 1999 Istanbul Final Act. The Formal Conclusions of the Second Review Conference are appended to this letter.

During the reporting period the efforts of the Joint Consultative Group were concentrated in three main spheres.

First, the Group has focused on the questions related to the implementation of commitments made in the Final Act adopted at the Istanbul Conference of States Parties to the CFE Treaty, November 1999. The States Parties have taken note of the progress made on fulfilling these commitments. The States Parties believe that further development of this progress will help to facilitate ratification by many States Parties and subsequently entry into force of the Agreement on Adaptation as soon as possible.

Second, still existing problems of implementation and Treaty operation were dealt with in the Joint Consultative Group, its working groups and subgroups, as well as through informal consultations within the framework of the Group. Such dealings have been cooperative and constructive in many respects.

The States Parties remain concerned about presence of Treaty-limited equipment unaccounted for and uncontrolled within the Treaty area of application. This persistent situation adversely affects the operation of the Treaty. The Joint Consultative Group has continued to address this problem.

Third, progress has continued to be made within the context of the Joint Consultative Group on technical details that are necessary to efficient operation of the adapted CFE Treaty, once the Agreement on Adaptation enters into force.

In this respect, the Group has agreed upon formats for scheduled and *ad hoc* notification and exchange of information. Formats for certain verification activities are now under active consideration. There has also been progress achieved towards reaching a decision on the distribution of costs for inspections and observation visits, when such activities are conducted at the expense of inspecting/observing State Party. It is intended that this agreement would apply to the Treaty in both its current and adapted form.

The Joint Consultative Group has also started renewed work on updating the Treaty list of items that are subject to CFE Treaty limitations and/or reporting requirements. Both the First and the Second Review Conferences have noted the problems with this work and directed the Joint Consultative Group to address them in order to complete the task of updating the Protocol on Existing Types of Conventional Armaments and Equipment as soon as possible.

Your Excellency, you might deem it useful to reflect these developments in the appropriate documents of the Ministerial Council.

FORMAL CONCLUSIONS OF THE SECOND CONFERENCE TO REVIEW THE OPERATION OF THE TREATY ON CONVENTIONAL ARMED FORCES IN EUROPE AND THE CONCLUDING ACT OF THE NEGOTIATION ON PERSONNEL STRENGTH

1. The States Parties to the Treaty on Conventional Armed Forces in Europe of 19 November 1990 met in a Review Conference in Vienna, in accordance with Article XXI of the Treaty, from 28 May to 1 June 2001, under the chairmanship of the Republic of Italy.
2. The States Parties reaffirmed the fundamental role of the CFE Treaty as a cornerstone of European security and their adherence to its goals and objectives. They reaffirmed their determination to fulfil in good faith all obligations and commitments arising from the Treaty and its associated documents.

The implementation of the Treaty since its entry into force in 1992 has brought positive results including significantly reduced holdings of Treaty-limited equipment and increased confidence through transparency and predictability involving conventional armed forces. The States Parties welcomed the impressive progress that had been made in implementing the Treaty, including the reduction of more than 59,000 pieces of conventional armaments and equipment, the exchange of about 6,000 notifications per year in addition to annual exchanges of information and the conduct of more than 3,300 on-site inspections and observation visits to verify compliance with the provisions of the Treaty and its associated documents. With regard to the Concluding Act on Personnel Strength, the States Parties noted with satisfaction that the personnel strength of conventional armed forces in the area of application had been reduced significantly.

3. The implementation of the Treaty and the Concluding Act have taken place in times of change during which the European security environment evolved significantly. As a result of the common and co-operative efforts of the States Parties, the Treaty and the Concluding

Act have remained vital stabilizing factors in the period of transition and have contributed to its peaceful unfolding and the enhancement of security.

4. The States Parties reviewed the operation and implementation of the CFE Treaty and its associated documents. They concluded that in general the CFE Treaty was operating and being implemented in a satisfactory manner. However, there were a number of implementation issues requiring further consideration and resolution in the Joint Consultative Group.

The States Parties noted that certain numerical limitations established by the Treaty were being exceeded. The States Parties were informed that the excess, which had been declared to be of a temporary nature, had been decreased. They expect that the remaining excess will be eliminated as soon as it is possible. They reaffirmed the importance of transparency with regard to the elimination of any excesses over CFE Treaty limits. In this context, they reiterated their commitment to full and continued implementation of the Treaty and its associated documents and their adherence to its numerical limitations.

The States Parties noted that the Joint Consultative Group had not completely fulfilled the mandate assigned to it by the First Review Conference to update the Protocol on Existing Types of Conventional Armaments and Equipment and called on the JCG to complete this task as quickly as possible, in line with the agreement reached at the First Review Conference that:

- any inaccuracies should be corrected, including by removal of types, models and versions of conventional armaments and equipment that do not meet Treaty criteria;
- the Joint Consultative Group should consider if an annual update of the lists would be appropriate;
- the Joint Consultative Group should consider an electronic version of the lists in all official languages.

The States Parties reviewed efforts to deal with the problem of TLE unaccounted for and uncontrolled within the area of application. Recalling the Final Document of the First CFE Review Conference and mindful of the relevant provisions of the Agreement on Adaptation of the CFE Treaty, the States Parties continued to express concern about the presence of such TLE within the area of application. They noted that this situation adversely affects the operation of the Treaty. They expressed their readiness to continue to address this issue in the Joint Consultative Group, as tasked by the First Review Conference.

In addition, the States Parties raised during the Review Conference certain implementation issues which require further consideration in the JCG, including among others:

- limitations and related Treaty obligations;
- interpretation of Treaty counting rules;
- notifications and exchange of information;

- verification, including issues that have arisen during inspections;
- preparation for entry into force of the Agreement on Adaptation and its implementation.

5. The States Parties recalled the signature of the Agreement on Adaptation by the Heads of State and Government of the States Parties and the adoption of the CFE Final Act at the OSCE Istanbul Summit on 19 November 1999.

The Agreement on Adaptation reflects the new security environment and paves the way to greater security and stability in Europe. The adapted CFE Treaty will provide a new structure of limitations to reflect changes that have taken place in the political and military situation in Europe; it will provide for enhanced transparency and provisions pertaining to host State consent to the presence of foreign forces. The States Parties noted that a number of implementation issues identified by the First Review Conference were also addressed in the context of the Agreement on Adaptation. They recall that, when the Agreement on Adaptation enters into force, other participating States of the OSCE whose land territory lies in Europe within the geographic area between the Atlantic Ocean and the Ural mountains, will be able to apply for accession to the Treaty. They noted that this would offer the opportunity to extend the stability provided by the Treaty.

The Agreement on Adaptation will enter into force when it is ratified by all the States Parties. While they remain committed to entry into force of the Agreement on Adaptation as soon as possible, many States Parties have declared that ratification will be possible only in the context of full and verifiable compliance with agreed levels of conventional armaments and equipment and consistent with the commitments contained in the CFE Final Act. Some of them underlined, in particular, the commitments referred to in the Istanbul Summit Declaration. Other States Parties have already ratified the Agreement or have stated that they are about to do so and urged other partners to join them soon.

All States Parties referred to the importance they attach to all the commitments in the Final Act including its Annexes. They reaffirmed their determination to fulfil in a timely fashion, without exception, all those commitments. They welcomed the progress achieved and the assurances given towards the fulfillment of those commitments and noted that further steps would be needed to meet established deadlines.

The States Parties reaffirmed that all provisions of the Treaty, of the associated documents and of the Concluding Act remain fully in effect and will continue to remain fully in effect except those provisions amended by the Agreement on Adaptation upon its entry into force.

6. The States Parties welcomed progress that had been made in carrying out tasks identified in the First Review Conference. Beyond successfully negotiating the Agreement on Adaptation, the JCG had made progress on technical preparations in view of entry into force of the Adapted CFE Treaty.

The States Parties noted that the provisions of Annex E of the Final Document of the First Review Conference had been carried out successfully. The total quantity of equipment necessary to meet commitments had been destroyed, and the necessary destruction of tanks was continuing.

7. The States Parties expressed satisfaction with the contributions the Treaty had made and was continuing to make to European security and voiced the hope that the third such Conference would review operation and implementation of the adapted CFE Treaty.

**LETTER FROM THE CHAIRPERSON OF THE
OPEN SKIES CONSULTATIVE COMMISSION
TO THE MINISTER FOR FOREIGN AFFAIRS OF ROMANIA,
CHAIRMAN OF THE NINTH MEETING OF THE
MINISTERIAL COUNCIL OF THE OSCE**

Dear Sir,

As Chairperson of the Open Skies Consultative Commission, I have the honour to inform you of the activities of the Open Skies Consultative Commission since the Eighth Meeting of the Ministerial Council, which took place in Vienna in November 2000.

This year has been characterized by a significant increase in the OSCC's activities, as a result of developments in the ratification process. The Russian Federation and the Republic of Belarus deposited their instruments of ratification on 2 November 2001 with the two depositaries, Canada and Hungary. In accordance with the provisions contained in the Treaty, it will enter into force 60 days after the deposit of the instruments, on 1 January 2002.

During 2001, which is the last year of the provisional implementation period, a large number of trial activities have also taken place. Between 1996 and 2001, there have been more than 350 such activities. This intensive activity has demonstrated the great interest of the States Parties in the Treaty on Open Skies and has prepared them for its full implementation.

In order to impart a better understanding of the decisions that will have to be taken by the States Parties to the Treaty with a view to its entry into force and the first implementation period, an information seminar on the Treaty on Open Skies, which was attended by all the OSCE participating States, took place in Vienna on 1 and 2 October 2001. The seminar achieved its objectives, both by giving detailed information on the principles and provisions of the Treaty, including the 22 decisions already adopted by the OSCC and the activities of the former informal OSCC Working Groups, and by helping to bring the Treaty to the attention of the observer States and other OSCE participating States.

In order to prepare the implementation of the Treaty, the OSCC decided on 29 October 2001 to establish three informal Working Groups on certification, sensors, and flight rules and procedures. The informal Working Group on certification already started its work on 12 November 2001.

The Treaty on Open Skies constitutes a unique tool for transparency. Its entry into force will make an additional contribution to the security and stability of the participating States, and will provide a useful supplement to the existing confidence- and security-building measures. During the six months following the entry into force of the Treaty, any OSCE participating State may apply for accession to it. Finland and Sweden have already announced their intention to do so. The OSCC chairmanship encourages all participating States which are not yet States Parties to the Treaty to consider also this possibility in order to contribute to its noble objectives.

Your Excellency, you might deem it useful to reflect these developments in appropriate documents of the Ministerial Council in Bucharest.

**REPORT BY THE CO-CHAIRMEN OF THE OSCE MINSK GROUP
TO THE MINISTER FOR FOREIGN AFFAIRS OF ROMANIA,
CHAIRMAN OF THE NINTH MEETING OF THE
MINISTERIAL COUNCIL OF THE OSCE**

In the year since the OSCE Ministerial meeting in November 2000, the Minsk Group Co-Chairs have intensified their efforts to facilitate a peaceful settlement of the conflict over Nagorno-Karabakh. The Co-Chairs visited the region four times during this period (in December, May, June and November). They maintained frequent contact, including consultations with the participation of regional experts in June and October, to co-ordinate their activities. The Co-Chairs reported to the Chairman-in-Office regularly throughout the year, briefed other Minsk Group members in May and November, and reported to the Permanent Council in September.

Direct dialogue between the Presidents of Armenia and Azerbaijan, who together bear responsibility for reaching a political settlement, remains a key element of the peace process. The two Presidents discussed the peace process with President Chirac of France in Paris in January and March, and with President Putin of the Russian Federation in Minsk in May, in Sochi in August and in Moscow in November, on the margins of the Summit of the Commonwealth of Independent States.

At the peace talks at Key West, Florida, in April, the Co-Chairs observed significant progress toward a resolution, as Presidents Aliyev and Kocharian met for four days of negotiations. Each President met with US President Bush at the White House following their discussions at Key West. Although the Co-Chairs remain actively engaged, the momentum achieved at Key West has not been sustained.

The Co-Chairs strongly endorsed several confidence-building measures to the parties during a visit to the region in November. These confidence-building measures should improve the atmosphere and ease the hardships caused by this unresolved conflict. The Co-Chairs firmly believe that these steps will contribute to the peace process and are in the mutual interest of both parties.

Presidents Aliyev and Kocharian have reaffirmed to the Co-Chairs their commitment to a comprehensive and peaceful settlement based on mutual compromise. The unresolved status of this conflict after 13 years, including nine years of OSCE mediation, is a frustration to all sides. Although ceasefire violations along the international border and line-of-contact declined in 2001, the parties must continue to reduce tensions and to strengthen the ceasefire, which remains fragile. The Co-Chairs have worked closely with the Personal Representative of the Chairman-in-Office towards this end.

Recognizing that the global situation has changed following the tragic events of 11 September, both the Armenians and the Azerbaijanis have joined the international coalition in the campaign against terrorism. This development has increased the urgency of resolving the conflict and has created new opportunities that all sides must seize. The situation of "no war/no peace" is no substitute for a comprehensive settlement.

Co-operation among the Co-Chairs remains excellent and they remain committed to helping the parties to achieve a just, fair and lasting settlement that is acceptable to all sides.

**ANNUAL REPORT ON THE IMPLEMENTATION OF THE
AGREEMENT ON CONFIDENCE- AND SECURITY-BUILDING
MEASURES IN BOSNIA AND HERZEGOVINA (ARTICLE II,
ANNEX 1-B, DAYTON PEACE ACCORDS) AND THE
AGREEMENT ON SUBREGIONAL ARMS CONTROL
(ARTICLE IV, ANNEX 1-B, DAYTON PEACE ACCORDS)**

1 January to 30 November 2001

Introductory Remarks

I am very pleased to report the continued successful implementation of the Agreement on Confidence- and Security-Building Measures in Bosnia and Herzegovina (Article II) and the Agreement on Sub-Regional Arms Control (Article IV).

This report is divided into two sections: Implementation and Future activities.

Section I: Implementation

**Agreement on Confidence- and Security-Building Measures in Bosnia and Herzegovina
(Article II)**

1. Inspections/Visits to Weapons Manufacturing Facilities. Twenty-six (26) inspections were conducted this year. Twenty-six OSCE countries contributed by either leading teams or providing experts. Six (6) visits to Weapons Manufacturing Facilities took place. On the whole, the inspection regime is implemented regularly and professionally.
2. Annual Exchange of Information. Annual Information Exchanges continue to show marked improvement in transparency, completeness of data and compliance with the agreed formats.
3. Decisions taken during meetings of the Joint Consultative Commission and the Third Review Conference
 - (a) The Parties adopted a *Protocol on Aerial Observation* which supports Measure III (Risk Reduction). Several nations, most notably Denmark, the Czech Republic and France, were actively involved in trial flights to validate the provisions of the Protocol.
 - (b) The *Protocol on Existing Types of Equipment (POET)* was updated this year. Equipment was deleted from the Armoured Personnel Carrier, Artillery, and Combat Aircraft categories; equipment was added to the Armoured Infantry Fighting Vehicles and Look-Alike categories. The POET is updated as required.
 - (c) The *Protocol on Exchange of Information and Notifications* was updated. In future, the Parties will include lists of historical collections, weapons manufacturing facilities and a list of holidays. Other technical improvements were agreed.

- (d) The Parties updated the *Protocol on Weapons Manufacturing Facilities* and agreed on a definition of “weapons manufacturing facilities”.
- (e) Perhaps one of the more substantive decisions taken this year was to update the actual Agreement. The Article II Agreement was signed on 26 January 1996. Since that time, the Joint Consultative Commission has met on more than 35 occasions, and three times for a Review Conference. Throughout this period, decisions were taken that effect implementation. Therefore, the Parties agreed that it was necessary to update the Agreement to reflect those decisions. The updated version is primarily for “operational” use, to assist those persons who are most actively involved in inspections, etc. The basic agreement remains unchanged.

4. Voluntary Measures. The Parties were actively engaged in voluntary programmes. Listed below are some of the more important activities this past year:

- (a) Code of Conduct. Germany, Finland and Romania provided experts who conducted three Code of Conduct seminars. One can note a marked increase in the active participation of the attendees and the level of interest. Similar seminars are programmed for next year.
- (b) Aerial Observation Exercises. As previously noted, two such exercises occurred this year that were designed to validate the provisions of the Protocol on Aerial Observation. Although the original intent of this regime was to augment the Risk Reduction Measure, the Protocol has been expanded to consider flights in support of humanitarian efforts (within Bosnia and Herzegovina).
- (c) Inspector Training. The NATO School at Oberammergau continues to support Dayton by providing courses for inspectors. Inspector training courses will continue for the foreseeable future. In order to avoid overlap and duplication, it would be useful if all bilateral, and other, initiatives are co-ordinated with the office of the Personal Representative.
- (d) Working Group on Common Manuals. This group is tasked with developing written procedures governing the movement of the respective Entity Armed Forces when crossing the Inter-Entity Boundary Line to provide assistance during natural or man-made disasters.
- (e) Audits. After almost two years, audits of the budgets of the Ministries of Defense of the Entity Armed Forces occurred. The Federation of Bosnia and Herzegovina allowed a team of international auditors to examine their MOD records. Republika Srpska conducted an internal audit without the assistance of international auditors. Both audit reports remain within the respective Ministries of Defense. Republika Srpska and the Federation of Bosnia and Herzegovina have been congratulated for this exercise in confidence building, and will be encouraged to become even more open and transparent in the future.

5. Summary. Implementation of the Protocol on Verification and the Exchange of Information and Notifications continues almost flawlessly. As in any inspection regime, problems occur; however, given the unique environment in which this Agreement is

implemented, it is remarkable that the Parties are able to conduct their inspections so routinely and without difficulty. In that regard, I wish to state my appreciation for SFOR, in particular to Lieutenant General Sylvester, for the tremendous support and co-operation from him and his staff. The Parties can be congratulated for the various protocols that were adopted this past year and for the substantive decisions taken during meetings of the Joint Consultative Commission and the third Review Conference. Military Liaison Missions continue to be a topic of discussion. The original concept of these missions has been overcome (positively) by events. Senior military commanders of the respective Entity Armed Forces have direct contact and are actively engaged in the Joint Military Committee. The Joint Consultative Commission is considering how best to effectively use Military Liaison Missions.

Lastly, particularly noteworthy in this report is the lack of reference to political disturbance as has often been noted in the past. Early in the year, certain Croat representatives within the Federation's Ministry of Defense departed their posts, including a large number of soldiers and officers. However, implementation of the Agreement was not negatively impacted.

Agreement on Sub-Regional Arms Control (Article IV)

1. Inspections. Inspections are conducted as scheduled (except as noted below.)
2. Annual Exchange of Information. The quality of the Annual Information Exchange continues to improve each year, namely, in the accuracy of the data.
3. Summary. On the whole, the Article IV Agreement is implemented fully, with one exception: inspections by Bosnia and Herzegovina. The Agreement provides all Parties the right to conduct inspections. However, Bosnia and Herzegovina has not been able to conduct such inspections. Technical problems were completely solved when the Federation of Bosnia and Herzegovina donated one inspection quota to Bosnia and Herzegovina. Only "political" obstacles prevent inspections by Bosnia and Herzegovina. Republika Srpska remains the sole Party blocking these inspections.

Section II: Future Activities

Agreement on Confidence- and Security-Building Measures in Bosnia and Herzegovina

Due consideration is being given to the streamlining process of the international organizations in Bosnia and Herzegovina. I will continue to work closely with the other international organizations in Sarajevo to minimize overlap and to ensure that I am in harmony with the collective end-state. Once again, I will note that a very close co-operation exists with SFOR and OHR. An even closer co-operation exists between myself and Ambassador Beecroft. One of my long-term goals is to steadily increase state-level organizations and institutions within Bosnia and Herzegovina. Regarding implementation of the Agreement, my main focus continues to be overseeing the inspection regime, although more attention is devoted to voluntary measures. It is through these voluntary measures that true confidence and security is developed. Thus, I will continue to actively encourage the Parties to participate in any activity that promotes confidence and transparency. I will

continue to push for greater transparency of the military budgets and promote Code of Conduct seminars.

Agreement on Sub-Regional Arms Control

Although the strict arms control measures of this Agreement are being implemented, I believe that some improvement can be achieved. I will continue to encourage the Parties to explore the possibility of decreasing the numbers of equipment currently held in exempted categories. I will support any effort to introduce confidence- and security-building measures designed to increase openness and transparency.

Conclusion

The Parties to both Agreements continue to improve implementation and annual information exchanges. While the OSCE continues to provide support to both regimes, support is not an absolute necessity for successful implementation. I look forward to a future when the OSCE's involvement in the implementation of both regimes is decreased and the Parties have assumed more ownership of their respective regimes.

In conclusion, I wish to thank the many OSCE countries who consistently support the Dayton Peace Process and encourage that support once again this next year. In particular, though, I wish to thank the countries who have seconded officers to the staff of the Personal Representative this past year, and in previous years.

**REPORT BY THE SPECIAL REPRESENTATIVE OF THE
CHAIRMAN-IN-OFFICE FOR NEGOTIATIONS UNDER
ARTICLE V OF ANNEX 1-B OF THE GENERAL
FRAMEWORK AGREEMENT FOR PEACE
IN BOSNIA AND HERZEGOVINA**

The negotiations under Article V were concluded on 18 July 2001, when the 20 participating States reached consensus on a Concluding Document. This ended a long negotiation process. The decision to proceed with Article V was made at the Sixth Ministerial Council Meeting in Copenhagen (1997), two years after Dayton/Paris. It took one more year to reach consensus on a mandate for the negotiations.

The Concluding Document is less than many participating States originally anticipated at the beginning of the negotiations. For instance, there is no arms-control linkage with the countries of Dayton-Article IV. This reflects the changed political situation in the region, notably the admission of the Republic of Yugoslavia to the OSCE.

The Concluding Document does contain a number of voluntary confidence- and security- building measures that will, by and large, build upon those found in the Vienna Document 1999. These are tailored to regional requirements and can be looked upon as an augmented catalogue of guidelines, which the participating States can utilize in accordance with their own security requirements.

Taking into account the difficulty of finding common positions between 20 States with often divergent views, the adoption of the Concluding Document of the Article V negotiations can be considered a real success. It constitutes a clear message of the international community regarding the importance of south-eastern Europe. For the first time in their history, the countries in the region have concluded a regional stabilization agreement. The credibility of this agreement is strengthened by the involvement of several countries from outside the region.

The implementation of the provisions of Article V will be reviewed annually by the countries participating in the commission that has been set up by the Concluding Document.

Since it includes virtually the same countries as the Stability Pact, Article V is fully complementary to the Pact. Since they share the same objectives, Article V essentially operates as the executive arm of the sub-table on defence and security affairs of Working Table III.

Article V will play a positive role in the region as part of a comprehensive scheme for the stabilization of south-eastern Europe.

LETTER FROM THE CHAIRMAN OF THE PERMANENT COUNCIL CONCERNING THE OSCE LEGAL CAPACITY AND PRIVILEGES AND IMMUNITIES

Your Excellency,

As the Chairman of the Permanent Council, I have the honour to convey to you a progress report on the activities of the informal Working Group on OSCE Legal Capacity and on Privileges and Immunities.

As noted in the Permanent Council's report to the Vienna Ministerial Council, in November 2000, the Permanent Council was invited to continue its efforts and build upon work previously accomplished on OSCE legal capacity and privileges and immunities. The Permanent Council is doing this through the Working Group, which is ably chaired by Dr. Helmut Tichy of Austria.

During 2001, the Working Group continued its work, making considerable progress in the drafting of many technical provisions. The Chair of the Working Group has indicated, however, that there still are a number of issues that need to be resolved at the political level. These issues are:

- The question of the nature of the instrument. A large majority of the Working Group is in favour of a convention.
- The question of the international legal personality of the OSCE. A large majority of the Working Group is of the view that the OSCE should be granted such personality.
- The question of the scope of the convention, i.e., should it create a legal basis for the work of the various components of the OSCE? A large majority of the Working Group is against this.
- The question of equal or different treatment of the components of the OSCE. A majority of the Working Group seems to be in favour of granting the same privileges and immunities to all the components of the OSCE.

The Working Group and the Chair have worked diligently on this matter, but a resolution of the issues described has not yet been possible. Once adequate clarification has been achieved with respect to those matters, the Working Group should continue its important work in order to arrive at a resolution of the question of OSCE legal capacity and privileges and immunities.