Special Representative

To:

PA President

and

PA Secretary General

Permanent Council Brief Week 50/51, 2007

This week, meetings of the Permanent Council, the Preparatory Committee and the Advisory Committee on Management and Finance, took place.

The Permanent Council over the last few weeks decided to extend the mandates of all missions but the Office in Minsk. The only other mandate that was highly contentious was the one on Kazakhstan. Contrary to what had been the practice in past years, and to the Brussels ministerial decision which calls for 1 year mandates as a rule, Kazakhstan only agreed to extend the mandate for six months. It claimed that this was necessary because of the expected move of the mission from Almaty to Astana, which would require a new text. Of course, others suspect that by this the country wants to put pressure on others because of the outstanding decision about the 2009 Chairmanship. The U.S. and the UK established the link in reverse form by stating that the refusal of Kazakhstan to agree to a one-year mandate signaled a lack of will to implement OSCE commitments and would therefore negatively impact on the country's bid for a Chairmanship. Belarus just said that they were still waiting for instructions.

The main point that the Permanent Council was not able to take a decision on was the 2007 Unified Budget. While most financial issues seem to be resolved, Russia is pressing to enrich the decision on approving the budget by a tasking to make the budgetary process and the handling of the finances more transparent. For instance, they request that at the occasion of presenting the draft budget, the participating States should also be provided with a list of possible projects, including approximate estimates of what their financial requirements will be. Another point is the practice of contracting consultants and subcontracting. It happens that these requests coincide with long-standing requests from the Parliamentary Assembly. There will be continuing informal negotiations over the next few days, and possibly another Permanent Council at a later stage, if the budget becomes ready for approval before the next official Permanent Council, which is scheduled for January 11, 2007.

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