



*REPORT OF PETUR H. BLONDAL, SPECIAL REPRESENTATIVE ON THE OSCE  
BUDGET, FOR THE OSCE PA WINTER MEETING*

**Vienna, 24-25 February 2011**

I was appointed Special Representative on the OSCE budget by the President of the PA in September 2006. My task is to review work on draft OSCE budgets and to report to the Assembly President and Treasurer.

My mandate includes to:

- gather information and follow budgetary developments in OSCE governmental structures
- act as a focal point for Assembly recommendations on political and management questions related to the OSCE budget
- encourage discussion within the Parliamentary Assembly on the effective use of OSCE budgetary resources

**1. Recent OSCE developments:**

- The 2011 OSCE unified budget (UB) was adopted after the deadline, but before the end of the calendar year, in a special session of the Permanent Council convened during the recess. This development means that fund managers will be able to operate on a 12-month basis, contrary to years in the past decade in which the organization was unable to efficiently operate due to delays in the adoption of a budget.

- The 2011 UB amounts to 150,764,700 Euros. It is regrettable to see that the budget level is the same as 2010 and nominally the lowest since 2000. The budget has, in real terms, substantially decreased due to inflation. In 2003, the OSCE budget was 185,7 million Euros. Since then, the OSCE has developed its activities and ODIHR's budget for elections has skyrocketed (the latter increasing by more than 50%). The draft Astana action plan will be used as a basis for future activities, which will increase further the gap between tasks to-be-completed and available resources.

- The closure of the OSCE Office in Minsk will affect general spending.

- The proposals made by the Ad Hoc Committee on Transparency, as well as those that I made on accountability and transparency in the OSCE, have not been debated before or during the Astana Summit.

- A lack of transparency remains in the extra-budgetary funding of some activities, including key ones. For example, parts of the follow-up to the Summit—a sort of "Corfu 2"—will be outsourced to a think-tank remunerated through extra-budgetary funding.

**2. My recent activities include:**

- I participated in the visit of the Ad Hoc Committee on Transparency and Accountability to Vienna on 6 September 2010, both in my capacity as member of the committee and as Special Representative for the OSCE budget.

- I conducted a "virtual" visit to the OSCE Presence in Albania. I did follow-up interviews to my 2007 field visit with key OSCE staff in Tirana via conference calls last November (Annex I).

### **3. Future activities**

- I am planning a visit to the External Auditor of the OSCE in the first half of the year (Kiev, Ukraine).

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## **Annex I**

### **Follow-up Report of the Special Representative on the OSCE Budget, Dr. Pétur H. Blöndal, on the activities of the OSCE Presence in Albania**

In 2007, I visited the OSCE Presence in Albania in my capacity as Special Representative on the OSCE Budget in order to acquaint myself with the operation of the OSCE presence and its activities and see for myself how the organization's resources were being used. My main point of interest was the fight against human trafficking. Last November, I followed up on that visit through teleconferences with staff of the OSCE Presence in Albania in order to ascertain what progress had been made on some of the activities I had seen in operation. The activities I was particularly interested in were the civil registry modernization, border and migration and other operations to fight human trafficking.

My interlocutors were Mr Hartmut Puerner, Head of Governance in Economic and Environmental Issues, Mr Frank Nan, Project Manager, Civil Registry Modernization, Mr Jack Bell, Head of the Security Co-operation Department, Ms Darcie Nielsen, Head of Governance in Economic and Environmental Issues, and Ms Juliana Rexha, National Anti-Trafficking Officer. I am thankful for their time and input.

#### **Civil Registry Modernization**

The project had four main objectives: the establishment of a national registry; a registry of addresses; a data protection framework; and raising public awareness. Work on the national registry started in 2007 and was completed in 2009. Streets have been given names and houses have been assigned numbers. Almost all citizens have been registered in an electronic system. The work resulted in significant improvements in the voting lists for the 2009 elections. The same system is also used for issuing passports.

As to the registration of addresses, 3.9 million inhabitants out of an estimated population of 4.2 million have been registered and can be linked to an address. There is an interconnection between the national registry of civil status and national addresses. The project was due to end in December 2010 and the objective was to have registered 85% of all inhabitants at an address.

As to the data protection framework, a data protection authority representative was appointed in November 2008 and the data protection framework was completed at the end of 2009. And as to raising public awareness, there has been a lot of TV and radio coverage and flyers have been distributed so people are aware of that they should register. The campaign has also sought to make the public aware of the data protection framework.

Public services have improved considerably although it has proven to be a little bit difficult for people to understand that it has advantages for them to be registered to an address. It is now, for example, possible to determine the identity of a person with no passport through cross-checking their fingerprint with the electronic system. This can have applications in the fight against human trafficking as well as in efforts to integrate the Roma into society. There is also an effort to register buildings, which is funded by the EU as well as OSCE. It is crucial for the strengthening of property rights.

## **Border and Migration**

Since 2007, Albania has been a member of NATO, which means stricter border control requirements. A database system for wanted persons and stolen vehicles is in place. There is also a partnership with the police on the Kosovo side of the border, who speak the same language, which makes things easier. Cross-border cooperation with Greece and Kosovo is going well.

Work is being done on the sea border as well. A sea radar system is now operational although the border police have not received their new boats yet. The Ministry of Defence, Customs, Fisheries and Ministry of Tourism are all using the same system and have a database to cross-check information. Patrols will be carried out with Italian boats until Albania has the capacity to guard its sea border itself.

As to the fight against human trafficking, the flow over the sea borders is decreasing and being redirected through the land borders. The OSCE presence feels that the situation is slowly improving since it is now easier to identify people. Victims of human trafficking are mostly Albanians and some Afghans passing through Albania from Afghanistan, but there has been a decrease in numbers. The EU is currently funding operations at eight new crossing points. There is a greater use of information technology at all crossing points.

The border police have things in place after considerable improvements that got them NATO acceptance. However, a new state police law detached the border police from the regular state police, which has had negative effects. Attempts are being made to get the border police up to standards.

## **Human Trafficking**

Although there is a greater focus on combating human trafficking at the borders, less attention is paid to increasing internal trafficking within the country. Victims exploited internally are not recognised as trafficking cases (e.g. begging children, car washing, etc.) even though Albania has ratified the Council of Europe convention on Action against Trafficking in Human Being, which makes no distinction between internal and external human trafficking.

The problem is now concentrated on the Greek and Kosovo border whereas the sea borders are not a problem anymore. The problem with Greece is that the children caught are brought back to Albania without documentation, hence it is very difficult to see if they are trafficking victims or illegal immigrants. With regard to Italy, the situation has improved and speedboats are no longer allowed around the borders.

There are positive changes concerning government commitment and cooperation with NGOs. Nevertheless, the government closed down human trafficking shelters in October, although pressure from the international community led to their being reopened. Taking care of victims is mostly done by donor-funded NGOs. A positive development is that the government has started funding NGOs and the OSCE presence has worked with them.

The situation of the Roma has improved and Roma children are being registered in greater numbers than before. Before, parents only had 25 days to register newborns, failing which they would have to go through an expensive court procedure to do so with the result that many Roma children went unregistered. The time to register has now been increased to 60 days, and 90 if the child is born outside the country. More widespread registration of newborn Roma significantly reduces their vulnerability to human trafficking. As I pointed out in my report on my 2007 visit, OSCE activities in the areas of civil registration and human trafficking thus greatly complement each other.

## **Conclusions**

When I visited the country in 2007, streets did not have names and buildings had no numbers but with the OSCE's civil registry modernization, this situation has changed dramatically. The benefits of the project are manifold: for democracy by improving voter lists, for example, and for the economy as buildings and other real estate that are registered can be collateralized and used as security for loans and property rights are strengthened. The fight against human trafficking will benefit as the vulnerability of the population in general and the Roma in particular is reduced as people who are registered are easier to identify. In my view, the organization deserves a lot of credit for setting up this project and the organization's resources have been put to good use through this project. Considerable progress also seems to have been made in respect of human trafficking and border security.

At the same time, the civil registry modernization project is now coming to an end and provided its objectives have been attained, resources should now be withdrawn and directed somewhere else where there is a greater need for them. There is a tendency towards a certain degree of inertia when it comes to the budgetary allocations of organizations like the OSCE with funding to individual activities and missions continuing without sufficient attention to actual need. As parliamentarians, one of our roles is to work against such tendencies in order to make sure that the funds allocated by our national parliaments to the OSCE are used both effectively and efficiently.