## **Special Representative**

To:

PA President

and

PA Secretary General

Permanent Council Brief Week 48/49, 2011

These two weeks started with the continuation of the drafting in the PrepCom, and numerous other meetings of committees and drafting groups plus meetings of the PC and the FSC, and culminated in the Ministerial Council (MC) in Vilnius. President Efthymiou delivered one of the four opening speeches, on which I received only positive comments. Ten delegations mentioned the Parliamentary Assembly in their statements.

During the week preceding the MC, the FSC decided on a re-issue of the Vienna Document on Confidence- and Security-Building Measures, although most changes to the document adopted over the course of the year were technical in nature. It also held a special meeting on this topic at which most delegations expressed appreciation that the revision process has been launched and disappointment at the lack of substantive progress, but also careful optimism for the continuation of the process in the next year. At the MC, when ministers adopted a decision mentioning the ongoing negotiations, Germany delivered a statement on behalf of 39 delegations expressing disappointment over the failure to do more (see special annex on Ministerial Council negotiations).

Delegations have yet to reach an agreement on the 2012 Unified Budget. The deadline is December 21. The initial proposal by Secretary General Zannier amounting to 152 million Euros has already been reduced to 149.6 million Euros (as compared with the peak of almost 186 million in 2003), which corresponds to the 2011 budget minus the Office in Minsk. Considering the inflation rates (which in Austria alone was around 3,5 percent in 2011), and the sharp reduction in extra-budgetary contributions, the shrinking of OSCE resources is dramatic, and comes mostly at the expense of concrete and productive project activities in the field. The incoming Irish Chairmanship, which is leading the discussions, argues that the budget should reflect the difficult financial circumstances that participating States are facing while attempting to maintain the operational effectiveness of the Organization.

On the other hand, all delegations seem to have so far supported the creation of a new post, at the level of director, one of the highest paid OSCE posts, that of a coordinator of activities to address transnational threats. Since the Staff Rules provide that directors can stay in the same post for only four years, and there is presently no post vacant at this level, this opens the possibility for a director whose present term limit is running out to stay in the Secretariat, on the same salary level as before.

Andreas Nothelle Ambassador December 12, 2011

## **ANNEX RE: 2011 MINISTERIAL COUNCIL**

A draft (political) Ministerial Declaration was added to the 36 drafts for the MC in Vilnius. However, as most major delegations predicted, this draft was not even discussed in detail. Also, delegations from "east and west of Vienna" reciprocally blocked drafts which the other side considered vital, which contributed to a rougher tone in the debates. The result was that many drafts did not even come close to adoption.

In the end, none of the major drafts put forward on issues pertaining to the 2<sup>nd</sup> and 3<sup>rd</sup> dimension were finalized. Issues like Energy Security, Protection of Journalists, Media Freedom in the Digital Age, Human Rights Institutions and Tolerance, but also Refugees/Internally Displaced Persons, Legal Personality of the OSCE were not even debated in detail during the meeting. The decision on Mongolia's application for full membership has been postponed until next year. Furthermore, the 2014/2015 OSCE Chairmanship of Switzerland/Serbia has been submitted to a "silence procedure" until February 10, 2012. This means that until this date, by notifying the Chairmanship, any participating State will be able to secretly veto this decision, making it a sort of "chairmanship on probation".

The only reason why the MC was not a total failure was that it managed to agree on a decision on a strategy to address the "conflict cycle", a matter which had been at the center of all discussions during the Corfu process and since. Although this decision contains more words than substance, it constitutes a real effort to find a consensus on this very delicate matter. Other major decisions are those on transnational threats and on the Partners for Cooperation and an individual one on Afghanistan.

In the concluding session, most delegations reached conclusions similar to mine. As for the culprit, Russia blamed this partial failure on a "group of states", read: EU plus USA, who refused even to consider draft CIS MC proposals. All others blamed an unnamed delegation – read: Russia.

On the positive side, in the course of the drafting, several delegations actively supported our requests to include references to the PA's work in the drafts. Altogether, there were 14 references in 10 drafts. This also forced delegations to study carefully relevant PA resolutions. While this has a positive effect on PA-PC interaction, some delegations have discovered specific elements in these PA resolutions which made it difficult for them to support a direct reference in the text because they do not want to be identified with these parts of the resolutions. Other delegations, in particular Russia and Belarus, voiced more conceptual difficulties they have with agreeing to references to PA resolutions – even those resolutions which support their own positions –, because PA resolutions are not the result of a consensus procedure.

In the end, since the aforementioned drafts in the 2<sup>nd</sup> and 3<sup>rd</sup> dimension failed, only the decision on the conflict cycle and the one on the partners for cooperation contained (five) direct references to the PA; the declaration on Human Trafficking, instead of referring directly to the PA's work on the matter - a proposal by Kazakhstan which was supported by many, but then vetoed by Russia - only contained a general reference to parliamentarians of participating States. Many saw these Russian objections as retribution for President Efthymiou's statement on the Russian elections.