



**Report on the Activities of the Chairperson-in-Office  
914<sup>th</sup> Meeting of the Permanent Council, 31 May 2012**

**On the implementation of the OSCE Permanent Council Decision No. 1027 on Scales of Contributions for the year 2012**

With respect to the task given to the Chairmanship by Permanent Council Decision 1027 on Scales of Contribution for 2012, the Chairmanship circulated a report to delegations yesterday under reference number PC.ACMF/34/12.

As we are all aware, the issue of Scales of Contribution is a highly political one. The overwhelming majority of participating States seems to be in favour of the roll-over option whereas one participating States requested the Chairmanship to initiate a principle review of the entire scales system.

We have to develop and agree on a sound strategy that puts the Organization on a sound funding basis. For that to happen, the political will by participating States to accept a compromise is a prerequisite. However, the discussions in the ACMF as well as the informal discussions I have held on this topic have shown that no participating State is willing to increase the respective share of contribution. On the contrary, a number of participating States would wish to decrease their share. The Chairmanship therefore believes that the adoption of a rollover for 3 years would be the best workable and realistic goal.

The Chairmanship is determined to continue efforts to reach an agreement on scales, possibly for the 3-year period 2013-2015. Based on discussions in the ACMF as well as on basis of informal discussions with several interested delegations, we believe that a dual-track strategy has to be pursued. Like for the previous 3-year scales periods 2002-2004 and 2005-2007, the OSCE could adopt a scales roll-over for the period 2013-2015, linking the roll-over with a commitment to have a comprehensive review of the scales system. This approach had also been chosen for the previous 3-year scales periods. This option would have two vital advantages for the Organization.

First, it would put the funding mechanism for the OSCE on a solid basis, and would enable the 3 succeeding Chairmanships to develop a sound strategy to review the scales system. A comprehensive review of the scales cannot be carried out in one year; the previous scales reviews have clearly shown that.

Secondly, our colleagues at the United Nations, later this year, will have to re-negotiate and determine the United Nations scales of contribution applicable as of 1 January 2013. Having in mind the political nature of our Organization, which is one of the criteria to establish scales of contribution in the OSCE, it would be an illusion to think that we would be able to agree on time this year on revised scales based on the revised United Nations scales.

Given the understanding that this approach just outlined by me meets the expectations of participating States, I will task the Chair of the ACMF to follow-up, determine with your experts in the ACMF the form and content of a review mechanism. Such a comprehensive review mechanism would give the 3 succeeding Chairmanships the right time-frame to develop a strategy for a principle overhaul of the OSCE scales of contribution. However, this approach would necessitate the putting in place of agreed scales for the entire review period, i.e. an agreement on rolling over the current scales for the period 2013-2015.

### **5+2 Seminar in Dublin**

A seminar is being held this week for Moldovan and Transdniestrian negotiators in the Transdniestrian settlement process. The event, which involves meetings in Dublin and Belfast, aims to share aspects of the Northern Ireland peace process of relevance to the '5+2 Talks' with presentations by elected representatives and senior officials from Ireland, North and South. The Special Representative of the CiO for the Transdniestrian settlement process and the Head of the OSCE Mission to Moldova are also taking part. The visit is organised by the Irish Chairmanship, the OSCE Mission to Moldova and the UK embassy in Chisinau.

### **IPRM**

The 23rd meeting under the Incident Prevention and Response Mechanism, co-facilitated by the EU Monitoring Mission and the OSCE, took place in Ergneti on Friday, 25 May. The meeting was held in a productive and relaxed atmosphere. Participants reviewed the current situation, recent incidents and detentions and the possible release of a number of persons in detention. It was agreed that there should be further discussions about safety during agricultural work. It was agreed that the next meeting will take place on 21 June 2012.

Ambassador Murphy, the Special Representative of the Chairperson-in-Office for the South Caucasus, visited Tbilisi, Baku and Yerevan this week for consultations in advance of a planned visit by the Chairperson-in-Office to the region in mid-June.