



**FSC CHAIRPERSON'S PROGRESS REPORT  
TO THE SIXTEENTH MEETING OF THE MINISTERIAL  
COUNCIL**

**THE CONTINUING IMPLEMENTATION OF THE OSCE  
DOCUMENT ON STOCKPILES OF CONVENTIONAL  
AMMUNITION**



**December 2008, Helsinki**

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## Executive Summary

This progress report provides comprehensive factual information on the status of implementation of the OSCE Document on Stockpiles of Conventional Ammunition (SCA) for the period from December 2007 to November 2008. The report also indicates the specific areas where most urgent action/assistance is needed. The following results were achieved in 2008:

The FSC Editorial Review Board finished its work on the two final Best Practice Guides, namely, on Physical Security of Stockpiles of Conventional Ammunition and on the Destruction of Conventional Ammunition, following which the OSCE Conflict Prevention Centre (CPC) published the OSCE Handbook of Best Practices on Conventional Ammunition.

The Comprehensive SALW and SCA Programme was launched. In addition to providing regular donations to established projects, the Programme facilitates contributions to SALW and SCA projects under development.

The FSC conducted a Workshop on the Implications of Technical, Managerial and Financial Issues on Existing and Planned Projects on SALW and SCA in February 2008. It resulted in a wide array of proposals for further improving the OSCE response. Moreover, the Workshop emphasized the need for further enhancement of the co-ordination and co-operation between international organizations.

The FSC adopted the decisions on the overview of disposal aspects of liquid rocket fuel in the OSCE area and on an OSCE Directory of Points of Contact on SALW and SCA to facilitate information exchange among OSCE participating States.

The report covers two new requests for assistance by Albania and the Kyrgyz Republic, and it describes the progress achieved and future challenges in the ongoing projects in Georgia, Kazakhstan, Moldova, Montenegro, Tajikistan and Ukraine. Most of the comprehensive programme on SALW and conventional ammunition in Tajikistan and the melange project in Albania were completed in 2008.

In particular, the melange project in Ukraine and the project in Montenegro on demilitarization of surplus ammunition have been a cause for concern. In Ukraine, even though more than EUR 3.1 million have been donated, progress has slowed down due to unsettled legal issues. In Montenegro, the OSCE had a delay in releasing its contributions of EUR 345,000 for the project before both organizations successfully finalized financial and legal mechanisms for transferring funds.

In 2008, the participating States pledged over EUR 2 million for SCA projects – more than twice the amount pledged in 2007.

The report concludes that 2008 has been a year of many achievements, but it also reveals some problem areas. The doubling of contributions indicates an increased confidence in the OSCE, but it also sets high expectations for tangible results. Consequently, the report recommends that OSCE's efforts should be concentrated on resolving outstanding issues regarding the projects in Ukraine and Montenegro, while at the same time maintaining momentum in all other projects. Furthermore, the OSCE should enhance its co-ordination with other international organizations.

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## 1. Introduction

At the last Ministerial Council meeting, in Madrid, the OSCE Forum for Security Co-operation, through its Chairperson, was requested to submit to the Sixteenth Meeting of the Ministerial Council a progress report on the continuing implementation of the OSCE Document on Stockpiles of Conventional Ammunition (SCA) (MC.DEC/3/07). The present report covers ongoing efforts to address the challenges posed by stockpiles of ammunition. The regulatory and procedural challenges confronting donors willing to support planned projects are also addressed. The report presents conclusions and suggests focus areas.

It has been acknowledged that surplus stockpiles of conventional ammunition, including rocket fuel component melange, not only adversely affect the security and stability of countries and regions, but may also lead to environmental and humanitarian catastrophe. Since 1995, the world has seen at least 158 known or suspected explosive events in ammunition storage areas<sup>1</sup>, including two large explosions this year in Albania near Tirana and in Ukraine, and this underlines the need to further develop the co-operation on stockpiles of conventional ammunition. In addition to the human security and safety risks, environmental rehabilitation and renewal resulting from such explosions are generally costly, time consuming and socially unfriendly. Preventive action such as demilitarization and improvement of storage facilities are generally wiser and less costly courses of actions.

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<sup>1</sup> Source: SEESAC Report on Recent Explosive Events in Ammunition Storage Areas (Edition 2008/1)

In 2008, the OSCE continued to provide practical assistance to participating States. The development of a body of “best practices” continued. As shown in the report, the OSCE has been able to respond to requests and assist participating States in building or strengthening their national capacities by providing expertise, mobilizing both technical and financial resources, and implementing projects, including through co-operation with other international organizations.

## 2. Objective

This report is intended to provide an update on the implementation of general principles regarding conventional ammunition agreed by all the participating States in the Document on SCA. It also describes the progress achieved in project activities on conventional ammunition carried out in response to assistance requests from participating States. The report covers the period from December 2007 to November 2008<sup>2</sup> (for full particulars on OSCE activities on conventional ammunition, see MC.GAL/4/05, MC.GAL/5/06 and MC.GAL/6/07).

The report is primarily designed to provide an overview of the status of projects, and Best Practice Guides, and to highlight the issues posing challenges to successful implementation of the OSCE projects under the Document on SCA in the near future.

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<sup>2</sup> The deadline for submitting inputs for this report was 12 November 2008

### **3. National efforts**

#### ***3.1 National efforts related to stockpiles of conventional ammunition***

In this regard, the OSCE Document on SCA identifies areas of responsibility to be embraced by all participating States. These include management and security of national stockpiles of CA; management of explosive material and explosive devices and the identification and reduction of surpluses. The OSCE conducted a workshop on “Technical, Managerial and Financial Issues on Existing and Planned Projects on SALW and SCA” in Vienna on 5/6 February 2008. Kazakhstan, the Kyrgyz Republic, Moldova and Montenegro, along with other participating States, attended this workshop. The workshop offered participating States an opportunity to share national experiences in the assistance requesting process, project development and in the area of practical assistance and in-kind contributions to projects. (For additional information see Section 5 of the Report).

#### ***3.2 Development of Best Practice Guides***

The FSC Editorial Review Board completed its work in 2008 on developing the Handbook of Best Practice on Conventional Ammunition following the adoption of:

- The Best Practice Guide on Physical Security of Stockpiles of Conventional Ammunition (drafted by Sweden); and
- The Best Practice Guide on the Destruction of Conventional Ammunition (drafted by the Netherlands).

The FSC subsequently endorsed these documents for publication in FSC.DEC/7/08. In its decision Nr. 6/08 the participating States also decided to include the Best Practice Guides in the OSCE Handbook of Best Practices on Conventional Ammunition and encouraged making this Handbook available to all relevant national authorities for implementation as appropri-

ate. In line with the decision, the Conflict Prevention Centre (CPC) is publishing the Handbook in all six OSCE official languages and circulating it among participating States, Partners for Co-operation and intergovernmental and non-governmental organizations dealing with issues relating to the stockpiling of conventional ammunition.

In addition to the mentioned Best Practice Guides, in 2008 the FSC adopted decision No. 13/08 welcoming the development of the document Liquid Rocket Fuel in the OSCE Area: Overview of Disposal Aspects, FSC.DEL/443/07/Rev.2 and tasking the Conflict Prevention Centre to ensure the widest possible distribution of this Overview.

## 4. OSCE assistance pursuant to the Document on SCA

Since 2003, the OSCE has received 24 requests for assistance in the SCA area from 13 participating States. Specifically, six requests for assistance in ensuring safe and secure stockpiles of ammunition; nine requests to assist with the destruction of ammunition; seven requests for assistance in the disposal of rocket fuel component (melange) and two requests for assistance with the disposal of unexploded ordnance (UXO) and explosive remnants of war (ERW).

In 2008, the OSCE continued the implementation of projects in response to requests for assistance on conventional ammunition submitted by participating States. Two new requests were submitted in 2008 by **Albania and the Kyrgyz Republic**, thus bringing the total number of requesting States to 13. The new requests are being processed by the CPC and relevant OSCE field operations in close co-ordination with the FSC.

### *4.1 Requests for assistance in disposing of conventional ammunition*

#### **4.1.1 Requests being assessed or in the project development phase**

In 2008, the OSCE Mission to **Georgia** continued the implementation of the series of projects for the destruction of 9,000 warheads by TNT smelting. Following the destruction of the initial 6,000 in 2007, using the equipment procured by the OSCE Mission to Georgia, fund-raising efforts are underway to launch the implementation of the last project in the series, for the destruction of 3,000 warheads. At the same time, the OSCE Mission, in cooperation with the Ministry of Defence and the State Military, Scientific and

Technical Centre “DELTA”, is developing a three-year demilitarization plan for Georgia, as follows from the recommendations of the SEESAC<sup>3</sup> experts on further action and optimization of OSCE support. The Memorandum of Understanding on a Joint Demilitarization Plan in 2008-2011 was signed by the OSCE Mission and the Ministry of Defence in July 2008.

In 2008, the OSCE continued discussing with **Kazakhstan** potential projects for supporting national demilitarization activities run by its Ministry of Defence. Based on the assessment results for 2005 (FSC.DEL/69/05), and the subsequent additional information provided by the Ministry of Defence of Kazakhstan, the OSCE conducted an assessment visit from 8 to 10 September to evaluate the list of equipment requested by Kazakhstan in order to enhance its capacity for testing of propellants. The assessment confirmed that the request for assistance was justified and within the scope of the assistance mechanism provided for in the OSCE Document on SCA. A Protocol of Intention defining the way ahead for the project has been signed, and a project proposal on possible assistance is being developed.

In December 2006, **Moldova** requested OSCE assistance for destroying surplus obsolete conventional ammunition and improving stockpile management and security of the army's holdings. The pilot project launched by the Mission to Moldova together with the Ministry of Defence of Moldova for destruction of some 350 tonnes of conventional ammunition was successfully completed in 2008. In parallel, following the assessment visit conducted by the OSCE in May 2007 to evaluate the cur-

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<sup>3</sup> South Eastern and Eastern Europe Clearing-house for the Control of SALW (SEESAC).

rent situation in respect of stockpile security, the Mission to Moldova and the CPC are currently considering a comprehensive programme that will enhance the capacity of the Ministry of Defence to ensure safe and secure storage of SALW and ammunition. Furthermore, the assessment report (FSC.GAL/87/07) recommended reviewing the level of ammunition holdings required based on the OSCE criteria for surplus. In line with this recommendation, in July 2007, Moldova decided to destroy all cluster ammunition held by the armed forces. The OSCE Mission to Moldova is considering supporting national efforts in this respect by providing technical expertise and funds that would be part of the above programme. Finally, in 2008, Moldova made an additional request to the FSC asking for assistance in destroying air-to-air missiles.



The report of the assessment visit in 2007 recommended that training be organized on safe and secure stockpile management of ammunition. In this regard, the OSCE Mission to Moldova and the CPC arranged Physical Stockpile Security Training Modules I and II, provided by US specialists from the Defense Threat Reduction Agency (DTRA) in October and November 2007 and from 3 to 7 November 2008, respectively.

In 2007-2008, there was no significant progress with respect to **Belarus'** request for assistance.

#### 4.1.2 Projects under implementation

Since 2003, the OSCE Mission has been supporting development of the national demilitarization capacities of the **Georgian** authorities and disposal of surplus ammunition. Based on the outcomes of the survey on contamination of former airfields conducted in 2007, the OSCE Mission to Georgia implemented two projects on decontamination of soil at former military airbases in Tbilisi (Tbilisi Arsenal Storage Base) and 11 other former military bases in Georgia that contained radioactive sources. These two projects have been funded from the unified budget.<sup>4</sup>

In February 2008, the **Kyrgyz Republic** submitted a request for assistance to the FSC for enhancing stockpile management and security of SALW and conventional ammunition in the southern part of the country, where an increase in the activity of radical extremist groups is putting the current storage facilities at risk. In July 2008, the request was substantiated by the questionnaire that provided detailed information about the type of assistance requested. The CPC conducted an assessment visit to the country from 10 to 14 November 2008, with the participation of independent experts and representatives of participating States. In consultation with the Kyrgyz authorities and the OSCE Centre in Bishkek, a project plan will be developed and donors sought to provide the necessary budgetary assistance.

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<sup>4</sup> The budget for the Tbilisi Arsenal Storage Base project was EUR 15,000, and the cost of decontamination of former military bases totalled EUR 24,000.



As part of the OSCE response to the request of **Moldova**, the OSCE Mission to Moldova, supported by the CPC and SEESAC, developed a project for the destruction of about 350 tonnes of obsolete ammunition by open detonation. The implementation started in June 2007 and was successfully completed by the autumn of 2008. Detailed information on sources of funding can be found in Annex B.

In February 2007, **Montenegro** requested OSCE assistance in destroying surplus ammunition, improving stockpile management and security and eliminating toxic chemicals (rocket fuel components and napalm component). Based on the Memorandum of Understanding between the OSCE Secretariat and UNDP, the Montenegro Demilitarization Programme (MONDEM) was established under UNDP management. The OSCE is providing political support, technical expertise in project implementation on the elimination of toxic chemicals and funding. The implementation of the Programme is planned for 2007-2009. Detailed information about the implementation of the MONDEM project on the disposal of toxic chemicals can be found in Section 4.2



The Ministry of Defence of Montenegro continued with the destruction of heavy weapons systems, as foreseen in the MONDEM Programme. Following the destruction of 61 tanks in July

2007, the Ministry of Defence was to destroy 7 armored vehicles, 24 howitzers and 60 artillery guns by the end of 2008.

The second component of the MONDEM Programme is aimed at solving the problems of secure storage and management in the ammunition storage areas. The project will make it possible to bring the management and security of stockpiles of SALW (conventional ammunition) in Montenegro to a level corresponding both to national requirements and to recommendations set forth in the UN Integrated Disarmament, Demobilization and Reintegration Standards (IDDRS) and the OSCE SALW Best Practice Guide on Stockpile Management and Security. During 2007-2008, the UNDP project team made progress on improving the infrastructure and facilities at two storage sites. This MONDEM project has been funded through UNDP donors.

An OSCE donors' team that visited Montenegro from 21 to 23 October 2008 to verify progress in the implementation of the MONDEM Programme witnessed the destruction of heavy weapons on 23 October 2008. During the visit, representatives from Denmark, Sweden and Italy also visited the Bresovik storage site, where SALW and conventional ammunition belonging to the Ministry of Defence of Montenegro is stored. In addition, the team was briefed by the Chief of General Staff of Montenegro and the MONDEM team on new plans.

As concerns the project on the demilitarization of surplus conventional ammunition supported by the OSCE, the project was designed to dispose of (demilitarize) approximately 9,900 tonnes of conventional ammunition in a safe, efficient and effective way that complied with all relevant international and EU environmental and safety legis-

lation, and hence with existing international 'best practice'. In 2007-2008, the UNDP project team visited two national disposal facilities in Albania and Bosnia and Herzegovina in order to derive lessons learnt. Furthermore, two trucks for ammunition transportation were procured. Implementation is continuing based on a provisional list of ammunition for destruction provided by the Ministry of Defence of Montenegro.

It should be noted that the OSCE had a delay in releasing its contributions from 2007 and 2008 of EUR 345,000 for the project before both organizations managed to finalize financial and legal mechanisms for transferring funds.

Detailed information on sources of funding can be found in Annex B.

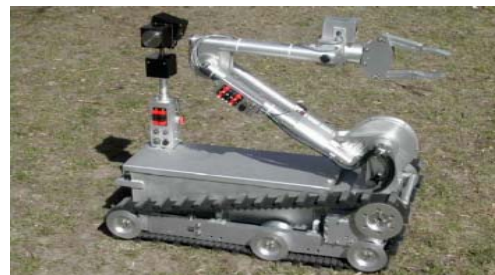
In 2008, the OSCE Centre in Dushanbe, Tajikistan, finalized most of the Comprehensive Programme on SALW and Conventional Ammunition in **Tajikistan**, with the final completion being expected in early 2009. The implementation of this two-phase Programme extended over the period 2005-2008. Phase I of the Programme was designed to tackle problems of surplus SALW and conventional ammunition as well as safe and secure stockpile management of the national holdings of the remaining SALW and ammunition in Dushanbe and its vicinity. Following the successful completion of Phase I in November 2006, the OSCE Centre in Dushanbe started the implementation of Phase II, extending the scope of action from the capital to all the regions of the country, including the Tajik-Afghan border. Phase II of the Programme is designed to increase regional stability, SALW control and the anti-drug-trafficking capabilities of

the law-enforcement authorities throughout the territory of Tajikistan.

Phase II, scheduled for 2007-2008, includes four tasks relating to conventional ammunition:

Task I. Disposal of surplus C-75 rocket boosters. The rocket boosters were not stored in appropriate containers, but rather stacked in piles. Thus, the boosters represented a potential human and environmental threat. However, the Ministry of Defence of the Republic of Tajikistan, lacked specific expertise for the destruction of the C-75 boosters that were defined as surplus. The task was accomplished with the help of technical experts seconded by the Russian Federation in November 2007.

Task II. Capacity-building on the disposal of IED. The tendering process for procurement of equipment for the disposal of IED has been completed. An explosive ordnance disposal robot was delivered to Tajikistan and the relevant training was conducted in October 2008.



Task IV. Improving the security of stockpiles of conventional ammunition for the Ministry of Defence. Construction of the storage facility for conventional ammunition is in progress.

Task V. Training of ammunition technicians and training in physical security and management of stockpiles of conventional ammunition. A training curriculum has been developed in English and in Russian. Subject to the re-

ceipt of sufficient funding, a training course will be held.

In addition USA provided in 2008, through the Comprehensive SALW and SCA Programme (see section 3.5) an extra-budgetary contribution of \$180,000 to help dispose in a safe and secure manner a minimum of 5,000 122mm rockets declared surplus by the Ministry of Defense of the Republic of Tajikistan. The project will complement Tajikistan and OSCE efforts to improve stockpile security, enhance regional stability, and build confidence in Tajikistan's EOD capacity.

Detailed information on sources of funding can be found in Annex B.

In October 2007, the Ministry of Emergency Response of **Ukraine** asked for assistance in providing equipment needed for ground and underwater clearance of explosive remnants of war left on its territory, especially in the area around the cities of Sevastopol and Kerch. The OSCE undertook an assessment visit with the participation of OSCE representatives and two experts seconded by Norway. The assessment confirmed the need for additional equipment in order to facilitate Ukrainian national efforts to clear the affected areas. A project proposal was developed by the Project Co-ordinator in Ukraine and the CPC that is designed to provide the necessary equipment for personal protection, and for searching for and destroying unexploded ordnance. The implementation is planned for 2009.

#### ***4.2 Requests for assistance on elimination of liquid rocket fuel components (melange and samin)***

At the end of 2006, an informal 'Group of Friends' for the elimination of rocket fuel component melange was estab-

lished to discuss and speed up the implementation of projects in this field.

In February 2008, **Albania** submitted a request to the FSC for assistance in the disposal of about 30 tonnes of melange stored on its territory. Responding to the request, the OSCE initiated an assessment visit from 2 to 4 April 2008. The team visited three storage sites (all three - Maminas, Petrele and Surrel – located in the vicinity of Tirana) to assess the quantities, and the conditions of storage and for potential removal. The total amount of around 34 tonnes of rocket fuel (TG-02, Samin), melange (AK-20F) and nitrate-based propellant was found to be in precarious storage conditions, and to pose a threat to military personnel and the local environment, and was judged to be subject to elimination at the earliest convenience.

With the approval of the Government of Albania, the OSCE Presence in Al-



bania launched a project to neutralize the dangerous chemicals. Following the signing of the trilateral agreement between the OSCE Presence, the Ministry of Defence of Albania and the contractor in October 2008, the project was implemented by transporting the melange to the industrial facilities in Sweden, where it will be processed in an environmentally friendly and safe manner under monitoring by international experts. Detailed information on sources of funding can be found in Annex C.

In **Kazakhstan**, the total amount of melange to be disposed of was decreased by the Ministry of Defence of Kazakhstan to 410 tonnes. Based on extensive consultations with the OSCE, the Government of Kazakhstan decided to take the lead in implementation of the project, while the OSCE is providing technical advice, expert monitoring and limited financial support. The Government assumes full responsibility and liability arising from the selection of the contractor and the implementation of the project. In 2008, the Government was not able to secure sufficient funding and to sign the implementation contract. Detailed information on sources of funding can be found in Annex C.

In **Montenegro** the most urgent MONDEM project on the elimination of toxic chemicals started in June 2007 and was completed in November 2008. The contractor, SAKAB, selected by UNDP through a competitive bidding process, transported diluted chemical substances to its industrial facilities in Sweden, where they were processed in an environmentally safe manner.

The melange project in **Ukraine** is going to become one of the largest OSCE extrabudgetary projects. In 2008, the OSCE Secretariat, supported by the OSCE Project Co-ordinator in Ukraine, continued implementing Phase II of the project:

- Signing of the Memorandum of Understanding between the Cabinet of Ministers of Ukraine and the OSCE on the OSCE-Ukraine Project on eliminating stockpiles of melange and the relevant Terms of Reference. The MoU was finally signed in March 2008;

- Developing the contractual framework for project implementation and proceeding with an international tender to identify a duly qualified,

competent and capable contractor for the elimination of an initial 3,000 tonnes of melange under Phase III-A.

An estimated budget for initiating Phase III-A is approximately EUR 3.1 million. Detailed information on sources of funding can be found in Annex C.

Although the required EUR 3.1 million is now available for the project, Phase III-A was delayed due to legal and contractual uncertainties. These relate primarily to the fact that the OSCE has no legal personality and to liability issues when melange is being transported outside of Ukraine. Neither Ukraine nor the OSCE can agree to assume the overall responsibility for transportation of melange in transit, and it is unclear whether liability can be accepted and guaranteed legally by the contracted operator.

Continuation of the project received strong support of the donors on the FSC meeting 22 October 2008 which is reflected in attachments to the FSC journal of the day (FSC.JOUR/567). On this basis, the Secretariat will proceed with the launching of the tender. In light of the results of the tender and of the environmental impact assessment, the tripartite contract will have to be agreed among the Government of Ukraine, OSCE and the contractor.

During the OSCE-NATO biannual staff talks in 2008, NATO stated that it had completed the project on the disposal of 1,200 tonnes of melange in **Azerbaijan**. Furthermore, there were plans to move the mobile NATO facility to **Uzbekistan** in 2008-2009 to address the problem of melange in that country as well.

#### **4.3 National co-ordination bodies**

In 2008, the FSC adopted decision No. 4/08 establishing an OSCE Directory of Points of Contact (POC) on SALW

and SCA as an additional tool for co-operation and co-ordination among the participating States on assistance projects relating to SALW and SCA. The primary purpose of the Directory is to facilitate information-sharing between participating States on issues related to SALW and SCA projects. Thus, the network enhances sharing of information on assistance requested and on project development and implementation; seeking of additional information and clarifications within assistance requests; and offering/requesting of technical expertise and financial resources.

The POC directory on SALW and SCA is comprised of POCs in the participating States and in the delegations in Vienna; POC(s) in the FSC Support Section of the OSCE CPC in Vienna; and POCs in OSCE field operations, as appropriate. The list of POCs, updated annually, will be maintained by the CPC, which will also provide information to POCs about projects that are planned, running and completed. Finally, the Directory can serve as a forum for learning more about the assistance mechanism, funding opportunities and opportunities for providing expertise.

#### ***4.4 Donors***

The overall list of donors to OSCE SCA projects, including melange, is provided in Annex D.

#### ***4.5 Comprehensive Programme for donations***

In addition to regular donations to established projects, the Comprehensive SALW and SCA Programme (FSC.GAL/104/08) provides a flexible, fast and supportive funding mechanism whereby the OSCE can promptly collect funds to provide assistance to participating States in the areas of SALW

and SCA upon their request. The Comprehensive Programme serves as a fund-raising mechanism – a type of trust fund - for SALW and SCA projects which are under development.

The Comprehensive Programme has been established to meet the growing demand for new projects and it allows the OSCE to bridge the time and funding gap between the moment when donors' extrabudgetary contributions in response to a specific request for assistance are to be disbursed to the OSCE and the time when actual project implementation starts in compliance with the OSCE financial rules and regulations.

Donors' funds can only be utilized to finance specific project(s) in compliance with the conditions defined by the donor(s) in their initial pledge(s).

The Comprehensive Programme is managed by the OSCE Conflict Prevention Centre.

## **5. Co-operation and exchange of information**

### ***5.1 Co-operation within the OSCE***

On 5 and 6 February 2008, the FSC conducted a Workshop on the Implications of Technical, Managerial and Financial Issues on Existing and Planned Projects on Small Arms and Light Weapons and Stockpiles of Conventional Ammunition in Vienna. It sought to review the requests for assistance, derive lessons learnt and best practices from project implementation and further enhance the effectiveness of project planning and implementation through co-operation and co-ordination of efforts with other international organizations.

This Workshop was the first of its kind since 2004. It provided an excellent opportunity to assess the current situation with respect to all requests for assistance and project activities dealt with by the FSC in the last five years in co-operation with OSCE field operations and partner organizations. OSCE delegates, national experts, field personnel, the Secretariat, other international organizations, as well as OSCE Partners for Co-operation, came together to share and discuss experiences of the OSCE, other international organizations and individual participating States in developing and implementing such projects. The Workshop focused on best practices and drew lessons learnt from all project stages. Many practical and forward-looking proposals were put forward on further enhancing the administrative, management and fund-raising aspects of OSCE involvement. The need for improving co-ordination and co-operation with other international organizations was also emphasized throughout the working sessions.

Further activities undertaken by the Organization to raise awareness and improve the implementation of commitments on SCA are reflected in Annex E.

### ***5.2 Co-operation with UNDP***

In line with the UN Programme of Action on SALW that encouraged regional organizations to co-operate, develop and strengthen partnerships to share resources to combat illicit SALW, the OSCE developed a general framework for technical co-operation with UNDP. A Memorandum of Understanding was signed by the two organizations in June 2006 and is designed to provide a non-exclusive framework for technical co-operation for the implementation of SALW and conventional ammunition projects. Two joint projects were launched in the framework of the MoU in Belarus and Montenegro in 2007.

In May 2008, the MoU was extended for two years until June 2010. Both organizations have recently finalized financial and legal mechanisms that will facilitate the joint implementation of projects.

### ***5.3 Exchange of information with other international organizations***

The OSCE exchanges information on OSCE project activities as well as on normative achievements in the area of SCA with other international organizations. In 2008, the OSCE has continued the regular practice of co-ordinating project activities with NATO in the framework of the biannual OSCE-NATO staff talks. Moreover, for the first time, the OSCE has included the topic of SALW and SCA in the annual staff talks held with the European Commission. Finally, OSCE representatives provide regular presentations on

the subject at expert meetings organized by other international organizations and briefings organized for military representatives from other regions, and for other international organizations in Vienna.

## 6. Conclusions

The OSCE Document on Stockpiles of Conventional Ammunition (SCA) remains an effective and useful tool for addressing the problems arising from stocks of conventional ammunition. It continues to serve as an important framework for dealing with surpluses and stockpiles of ammunition with a view to reducing the risk of destabilizing accumulation and uncontrolled proliferation.

One of the most dynamic areas of implementation of the OSCE Document on SCA remains the one dealing with requests for assistance from the participating States in the field of destruction, and stockpile management and security. Participating States pledged over EUR 2 million for the projects on conventional ammunition in 2008—more than twice as much as in 2007.

To further facilitate contributions to OSCE projects, the Comprehensive Programme on Small Arms and Light Weapons and Stockpiles of Conventional Ammunition was launched in 2008. The Programme provides a flexible, fast and supportive mechanism whereby OSCE can promptly collect funds to provide assistance to participating States in the areas of SALW and SCA upon their request. This timely initiative launched by the CPC may well turn out to significantly improve OSCE support actions.

Also, publication of the OSCE Handbook of Best Practices on Conventional Ammunition was an important step in the implementation of the OSCE Document on SCA. This publication is a tangible contribution to the efforts to reduce surplus stockpiles of ammunition inside as well as outside of the OSCE area.

Another out-reach initiative was the FSC Workshop on Technical, Managerial and Financial Implications of Existing and Planned Projects on SALW and SCA, held on 5 and 6 February 2008. The Workshop brought together many international organizations and it proved to be a good opportunity to share and discuss experience in developing and implementing projects. It resulted in a wide array of proposals for further enhancing the administrative, management and fund-raising aspects of OSCE involvement. Moreover, the Workshop also emphasized the need for further enhancement of the co-operation between the international organizations in this field of work, and, as a follow-up, a co-ordination meeting with several international organizations was held on 27 November 2008 in Vienna.

Finally, the FSC adopted the decisions on the overview of disposal aspects of liquid rocket fuel in the OSCE area and on an OSCE Directory of Points of Contact on SALW and SCA to facilitate exchanges of information on SALW and SCA issues among participating States.

New requests for assistance were submitted by Albania and the Kyrgyz Republic, and the OSCE has successfully concluded projects in Tajikistan and Albania, as well as the melange project under the MONDEM programme in Montenegro. Furthermore, progress has been achieved in other on-going projects such as in Kazakhstan, where the Protocol of Intentions defining the way ahead for the project on ammunition disposal has been signed.

Some projects, however, have not achieved significant progress. The melange project in Ukraine was delayed, although the necessary EUR 3.1



million to start the implementation have been donated. Though the project is moving forward, progress has been less than expected.

In general, no or slow progress may jeopardize assistance projects, as donors could be forced to pull out due to national budgetary regulations.

In the MONDEM Programme, although success has been achieved in the melange project, a cause for concern was negotiation of legal and financial arrangements between OSCE and UNDP which would enable transfer of funds to this programme, *inter alia*. Even though this situation has been unfavourable to the implementation of the project, both organizations have recently finalized the financial and legal mechanisms that will facilitate the joint implementation of projects.

In conclusion, 2008 has been a year of many achievements, but it has also revealed some problem areas. The doubling of contributions indicates an increased confidence in the OSCE, but it also sets high expectations for tangible results. Consequently, in the field of SCA, OSCE's efforts should be concentrated on resolving outstanding issues regarding the projects in Ukraine and Montenegro as soon as possible, while at the same time maintaining momentum in all other projects. Furthermore, the OSCE should enhance its co-ordination with other international organizations.

## **7. Annexes**

Annex A: Original requests for assistance and current status

Annex B: Donor funding pfor planned/running conventional ammunition projects

Annex C: Donor funding for planned/running melange projects

Annex D: Overall funding to all SCA projects

Annex E: Co-operation within the OSCE

## **Annex A: Original requests for assistance and current status**

*Chart I. Original requests for assistance and current status  
(Lists requests in the alphabetical order of participating States)*

<b>Requesting State</b>	<b>Scope of the problem (as specified in national requests)</b>
<b>Albania</b>	Date of Request: 20 February 2008 Elimination of 30 tonnes of rocket fuel component (melange). Status: In final stage of completion.
<b>Armenia</b>	Date of Request: 22 April 2004 Elimination of 862 tonnes of stocks of rocket fuel component (melange). Status: Completed
<b>Azerbaijan</b>	Date of Request: 26 July 2005 Elimination of 1,200 tonnes of stocks of rocket fuel components (melange and samin) and site clean-up. Status: Handed over to NATO and completed in 2008.
<b>Belarus</b>	Date of Request: 9 March 2004 Disposal of 97,000 tonnes of surplus ammunition, increasing by 4,000 -7,000 tonnes per year, including missiles and hexogen ammunition, through development of national capacity or transportation for disposal in a third country. (While there is an ongoing State programme for ammunition disposal (USD 2.5 million), Belarus does not have the technical capacity to dispose of all types of surplus ammunition.) Status: No activities.
<b>Georgia</b>	Date of Request: 25 July 2007 1. Demilitarization of 4,300 tonnes of surplus ammunition (artillery shells, guided and unguided missiles, aviation bombs, pyrotechnic ammunition and shells of various calibres). 2. Remediation of soil at five former military airfields. 3. Disposal of 9,000 warheads by smelting. 4. Destruction of 4,705 items of ammunition by open detonation. Status: No. 1 and No. 2 were completed. Following the disposal of 6,000 warheads, a project to smelt TNT out of the remaining 3,000 warheads is ready for implementation (No. 3). Project to destroy 4,705 items of ammunition is ready for implementation (No. 4).
<b>Kazakhstan</b>	Date of Request: 15 December 2004 1. Assistance in the disposal of transportable conventional ammunition using industrial facilities in Arys and Kapchagai. 2. Assistance in the disposal of non-transportable conventional

	<p>ammunition in their storage location (Ayaguz, Uch-Aral, Semi-palatinsk and Ust-Kamenogorsk).</p> <p>3. Re-establishment of conventional ammunition test laboratory to carry out regular examination of conventional ammunition.</p> <p>4. Establishment of a conventional ammunition management system as an integral part of a common armed forces procurement and management system.</p> <p>5. Elimination of 1,550 tonnes of stocks of rocket fuel component (melange).</p> <p>Status: Kazakhstan has taken the lead in ammunition disposal and the establishment of an ammunition management system. The OSCE provides some assistance in the melange project, under which the quantity of melange slated for elimination has now been reduced to 410 tonnes, and is developing a project proposal for the conventional ammunition test laboratory.</p>
<b>Kyrgyz Republic</b>	<p>Date of Request: 5 February 2008</p> <p>Improvement of the security and management of stockpiles of SALW and CA.</p> <p>Status: an assessment visit was carried out, and a project proposal is under development.</p>
<b>Moldova</b>	<p>Date of Request: 20 December 2006</p> <p>1. Destruction of surplus conventional ammunition. The pilot project focuses on the destruction of an initial 11,400 rounds of ammunition.</p> <p>2. Improvement of the security and management of stockpiles of conventional ammunition.</p> <p>3. Destruction of cluster ammunition.</p> <p>4. Destruction of R60 rockets.</p> <p>Status: The pilot project was completed. A programme covering items 2-4 has been finalized for implementation.</p>
<b>Montenegro</b>	<p>Date of Request: 28 February 2007</p> <p>1. Destruction of 9,900 tonnes of surplus conventional ammunition.</p> <p>2. Elimination of 160 tonnes of stocks of rocket fuel components (melange, samin) and napalm.</p> <p>3. Improvement of stockpile security and management.</p> <p>Status: Melange stockpiles have been eliminated. Projects on the destruction of conventional ammunition and stockpile security are in progress.</p>
<b>Russian Federation</b>	<p>Date of Request: 19 May 2004</p> <p>1. Request for the disposal of surplus ammunition in Kaliningrad Oblast (100,000 tonnes, including 20,000 tonnes in a dangerous condition).</p> <p>2. Improvement of stockpile security and management.</p>

	Status: Request withdrawn on 28 March 2007 (FSC.DEL/111/07). The Russian Federation will provide information about national efforts towards destroying the ammunition in question.
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<b>Tajikistan</b>	<p>Date of Request: 21 September 2004 (Phase I), 22 February 2006 (Phase II)</p> <p>Specific situation: Organic arsenicals stored together with unexploded ordnances (UXOs) collected from the battlefield. Storage locations and conditions are not acceptable and present a serious danger to staff, the local population and civil infrastructure.</p> <p>Status: Phase I was completed. Phase II is expected to end in early 2009.</p>
<b>Ukraine</b>	<p>Date of Request: 29 September 2004, additional request 2 October 2007</p> <ol style="list-style-type: none"> <li>1. New destruction capacities for hexogen and part-hexogen charges in Western Ukraine.</li> <li>2. Improvement of security system for ammunition stockpiles.</li> <li>3. Disposal of 16,764 tonnes of liquid rocket fuel component (melange). Following the consultations between the Government of Ukraine and the OSCE, it is planned to eliminate 3,000 tonnes of melange as the pilot project.</li> <li>4. Assistance in overcoming the consequences of the Novobohdanivka storage-site disaster (destruction of remaining ammunition, area clean-up.)</li> <li>5. Assistance in clearing unexploded ammunition left on the territory of Ukraine.</li> </ol> <p>Status: The Novobohdanivka project was completed. The melange project is being implemented. The UXO clearance project is ready for implementation.</p>
<b>Uzbekistan</b>	<p>Date of Request: 25 February 2005</p> <p>Elimination of over 1,000 tonnes of stocks of rocket fuel component (melange).</p> <p>Status: NATO has taken the lead in this project.</p>

**Annex B: Donor funding for planned/running conventional ammunition projects**

**Georgia**

<b>Donor</b>	<b>Funds pledged (EUR)</b>	<b>Project</b>
<b>2007</b>		
Spain	95,000	Airfield survey and TNT destruction (Part 2)
<b>2008</b>		
Greece	30,000	TNT destruction (Part 3)
<b>SUM</b>	<b>125,000</b>	<b>2007 &amp; 2008</b>
	Funds needed:	59,325

**Moldova**

<b>Donor</b>	<b>Funds pledged (EUR)</b>	<b>Phase</b>
<b>2006</b>		
Finland	160,000	Destruction of obsolete ammunition
<b>2007</b>		
Lithuania	5,500	Visit to UK ammunition storage facilities
UK	In kind	Visit to UK ammunition storage facilities
USA	In kind	PSSM* training, module I
<b>2008</b>		
USA	In kind	PSSM* training, module II
<b>SUM</b>		<b>EUR 165,500</b>
	Funds needed:	0

\*Physical Security and Stockpile Management.

**Montenegro**

<b>Donor</b>	<b>Funds pledged (EUR)</b>	<b>Phase</b>
<b>2007</b>		
Denmark	150,000	Destruction of surplus ammunition
Spain	75,000	Destruction of surplus ammunition
Sweden	285,714	MONDEM Programme General (directly to UNDP)
<b>2008</b>		
Belgium	25,000	Destruction of surplus ammunition

Italy	50,000	Destruction of surplus ammunition
Luxembourg	25,000	Destruction of surplus ammunition
<b>SUM</b>	<b>630,714</b>	<b>2007 &amp; 2008</b>
	Funds needed:	2,089,000

### Tajikistan

<b>Donor</b>	<b>Funds pledged (EUR)</b>
<b>Phase I</b>	
France	In kind (EOD training programme – EUR 60,000)
Netherlands	266,812
Norway	30,000
Norway	In kind (secondment of chief technical adviser)
USA	In kind (physical security and stockpile management course)
<b>Phase II</b>	
Andorra	20,000
Norway	In kind (secondment of chief technical adviser)
Norway	110,370
Slovenia	19,808
Spain	100,000
<b>SUM for Phase I and Phase II</b>	<b>606,990</b>
Funds needed:	0
<b>Comprehensive Programme</b>	
USA	141,000



## Annex C: Donor funding for planned/running melange projects

### Albania

Donor	Funds pledged (EUR)
<b>2008</b>	
Denmark	15,000
Finland	15,000
Greece	20,000
Sweden	15,000
<b>SUM</b>	<b>65,000</b>
Funds needed:	0

### Kazakhstan

Donor	Funds pledged (EUR)
<b>2006</b>	
Spain	150,000
Sweden	40,000
<b>SUM</b>	<b>190,000</b>
Funds needed:	n/a

### Montenegro

Donor	Funds pledged (EUR)
<b>2007</b>	
Liechtenstein	20,000
<b>SUM</b>	<b>20,000</b>
Funds needed:	0

### Ukraine

Donor	Funds pledged (EUR)
<b>2006</b>	
Czech Republic	20,000
Finland	190,000
Poland	78,800
Spain	150,000
<b>2007</b>	
Czech Republic	63,635
Spain	200,000
<b>2008</b>	
Denmark	500,000
Norway	400,000
Sweden	1,000,000
Sweden (2009)	500,000 <sup>5</sup>

<sup>5</sup> Sweden has announced its intention to pledge EUR 500,000 in 2009 (FSC.DEL/118/08).

<b>SUM</b>	<b>3,102,435</b>
Funds needed (estimated):	0*

\*) More funds will be needed to continue the project

### **Annex D: Overall funding to all SCA projects**

The table below indicates pledges of financial support made by delegations towards the implementation of projects on conventional ammunition, explosive material and detonating devices in the period 2005-2008.

<b>Donor</b>	<b>Funds pledged (EUR)</b>	<b>Country assisted</b>
<b>2005</b>		
France	In kind (EOD training programme – 60,000)	Tajikistan, Phase I
Luxembourg	20,000	Ukraine, Novobohdanivka
Netherlands	266,812	Tajikistan, Phase I
Norway	30,000	Tajikistan, Phase I
Norway	Secondment of chief technical adviser	Tajikistan, Phase I
Slovenia	25,000	Ukraine, Novobohdanivka
USA	Stockpile management course	Tajikistan, Phase I
<b>SUM</b>	<b>401,812</b>	<b>2005</b>
<b>2006</b>		
Andorra	20,000	Tajikistan, Phase II
Belgium	25,000	Ukraine, Novobohdanivka
Czech Republic	30,000	Ukraine, Novobohdanivka
Finland	160,000	Moldova
France	In kind (EOD training programme – 60,000)	Tajikistan, Phase I
Lithuania	10,000	Ukraine, Novobohdanivka
Luxembourg	16,500	Ukraine, Novobohdanivka
Norway	60,000	Tajikistan, Phase II
Norway	110,250	Tajikistan, Phase II
Norway	Secondment of chief technical adviser	Tajikistan, Phase II
Poland	39,400	Ukraine, Novobohdanivka
Slovenia	19,808	Tajikistan, Phase II
Slovenia	15,000	Ukraine, Novobohdanivka
Spain	100,000	Tajikistan, Phase II
USA	59,100	Ukraine, Novobohdanivka
<b>SUM</b>	<b>725,058</b>	<b>2006</b>
<b>2007</b>		
Denmark	150,000	Montenegro, destruction of surplus ammunition
Lithuania	5,500	Moldova, visit to UK ammunition storage facility
Norway	Secondment of chief technical adviser	Tajikistan, Phase II
Spain	95,000	Georgia, Demilitarization + Airfield
Spain	75,000	Montenegro, destruction of

		surplus ammunition
Sweden	285,714	Montenegro MONDEM General (directly to UNDP)
UK	In kind (visit to UK ammunition storage facility)	Moldova
USA	In kind (physical security and stockpile management, Module I)	Moldova
<b>SUM</b>	<b>611,214</b>	<b>2007</b>
<b>2008</b>		
Belgium	25,000	Montenegro MONDEM, destruction of surplus ammunition
Greece	30,000	Georgia, TNT destruction (Part 3)
Italy	50,000	Montenegro MONDEM, destruction of surplus ammunition
Luxembourg	25,000	Montenegro MONDEM, destruction of surplus ammunition
Norway	Secondment of chief technical adviser	Tajikistan, Phase II
USA	In kind (physical security and stockpile management, Module II)	Moldova
USA	141,000	Tajikistan
<b>SUM</b>	<b>271,000</b>	<b>2008</b>
<b>SUM CA</b>	<b>2,009,084</b>	<b>2005 + 2006 + 2007+2008</b>

The table below indicates pledges of financial support made by delegations towards the implementation of projects on elimination of rocket fuel component (melange) in the period 2005-2007.

<b>Donor</b>	<b>Funds pledged (EUR)</b>	<b>Country assisted</b>
<b>2005</b>		
Finland	266,408	Armenia, melange
Germany	65,000	Armenia, melange
USA	903,454	Armenia, melange
<b>SUM</b>	<b>1,234,862</b>	<b>2005</b>
<b>2006</b>		
Czech Republic	20,000	Ukraine, melange
Finland	190,000	Ukraine, melange
Poland	78,800	Ukraine, melange
Spain	150,000	Kazakhstan, melange
Spain	150,000	Ukraine, melange

Sweden	40,000	Kazakhstan, melange
<b>SUM</b>	<b>628,800</b>	<b>2006</b>

<i>2007</i>		
Czech Republic	63,635	Ukraine, melange
Liechtenstein	20,000	Montenegro MONDEM, melange
Spain	200,000	Ukraine, melange
USA	70,000	Armenia, melange
<b>SUM</b>	<b>353,635</b>	<b>2007</b>

<i>2008</i>		
Denmark	500,000	Ukraine, melange
Denmark	15,000	Albania
Finland	15,000	Albania
Greece	20,000	Albania
Norway	400,000	Ukraine, melange
Sweden	15,000	Albania
Sweden	1,000,000	Ukraine, melange
Sweden (2009)	500,000 <sup>6</sup>	Ukraine, melange
<b>SUM</b>	<b>2,465,000</b>	<b>2008</b>
<b>SUM, melange</b>	<b>4,682,297</b>	<b>2005 + 2006 + 2007+2008</b>

<b>SUM, CA &amp; melange</b>	<b>6,691,381</b>	<b>2005 + 2006 + 2007+2008</b>
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<sup>6</sup> Sweden has announced its intention to pledge EUR 500,000 in 2009 (FSC.DEL/118/08).

## ***Annex E: Co-operation within the OSCE***

Presentations at meetings of the FSC by heads of OSCE missions: During 2008, the practice whereby heads of mission/project managers reported to the FSC and groups of friends on politico-military activities and projects continued. Project managers from the following countries/OSCE institutions reported on project planning/implementation: OSCE Secretariat, Belarus, Bosnia and Herzegovina, Georgia, Montenegro, Tajikistan and Ukraine.<sup>7</sup>

Regional Initial Course on Operational Management of Stockpiles of Conventional Ammunition and Ammunition Storage Sites, Danilovgrad, Montenegro, 9-13 June, 2008: The course, jointly organized by the Ministries of Defence of Montenegro and of Germany and the OSCE Mission to Montenegro, was designed to increase the national capacity in operational management of stockpiles of conventional ammunition and ammunition storage sites. Specifically, the project will provide a basic knowledge of international standards and best practices for handling conventional ammunition. The course, in particular, covered NATO standards, and increased the participants' awareness of Montenegro's commitments stemming from the OSCE Document on Stockpiles of Conventional Ammunition. Finally, the project acquainted the participants with the OSCE Best Practice Guides on Conventional Ammunition.

### Exhibitions and side event at the Ministerial Council Meeting in Madrid

On the margins of the Ministerial Council Meeting in Madrid in November 2007, the FSC Support Section presented photo exhibitions reflecting FSC assistance projects on SALW and conventional ammunition. The exhibition displayed different stages of project assessments and implementation in countries in which assistance was provided, including Belarus, Georgia, Kazakhstan, Montenegro, Tajikistan and Ukraine.

The Danish FSC Chairperson conducted a side event on SALW and conventional ammunition projects to raise public awareness about the problem of surplus and insecurely stored SALW and conventional ammunition, including rocket fuel melange, as well as to attract more donors to OSCE projects. During the side event, the audience was able to learn more about OSCE assistance on SALW and ammunition, and the problem of neutralization of melange was highlighted in particular.

### Information brochure and documentary film:

In order to raise awareness and promote FSC assistance projects on SALW and stockpiles of conventional ammunition, the FSC Support Section has published an information brochure about the projects. Also, a ten-minute documentary film describing recent projects on SALW and conventional ammunition, including rocket fuel component melange, has been produced in English and Russian. Both the brochure and the film were presented at the Ministerial Council Meeting in Madrid. The film will be updated in 2009.

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<sup>7</sup> Of these countries, Belarus, Georgia and Tajikistan provided updates in the framework of the OSCE Workshop on the Implications of Technical, Managerial and Financial Issues on Existing and Planned OSCE Projects on Small Arms and Light Weapons, and Stockpiles of Conventional Ammunition, held in Vienna on 4 and 5 February 2008.