I will discuss key security challenges that confront the Organization for Security and Cooperation in Europe (OSCE) region. These challenges cover a range of issues related to Russia, including the Conventional Forces in Europe (CFE) Treaty and related 1999 Organization for Security and Cooperation in Europe (OSCE), Istanbul Summit commitments, our work with the North Atlantic Treaty Organization (NATO), and Russia on missile defense, and a number of other OSCE security issues.

Working with Russia: the “2+2” Talks

Let me begin with an update on recent developments affecting our dialogue with Russia on security issues. Since the meeting between Presidents Bush and Putin in Kennebunkport in July, we have had three rounds of expert-level meetings on missile defense and three on CFE issues. We have also continued to meet with Allies and partners, including Georgia and Moldova, in parallel. These exchanges provided important background for the “2+2” talks that took place October 12, 2007 between Secretaries Rice and Gates, and their Russian counterparts, Foreign Minister Lavrov and Defense Minister Serdyukov. Those talks included a strategic dialogue on a full range of security issues: missile defense, CFE, post-START arrangements, and arms transfers. Russian officials also discussed their views on the Intermediate-Range Nuclear Forces (INF) Treaty. The U.S. side came prepared to make progress and offered creative ideas on the major agenda items. I should say that the meetings were more constructive than most press reports suggested. The Secretaries plan to meet again in six months, this time in the U.S., to continue the dialogue.

Missile Defense and Russia

Secretary Fata and I were in Moscow with Secretaries Rice and Gates in October 2007. I had the opportunity to participate in the experts’ meeting led by Acting Under Secretary of State Rood, along with Under Secretary of Defense Eric Edelman, and Russian Deputy Foreign Minister Sergey Kisylak two days before the arrival of our principals. This marked the third round of U.S. and Russian bilateral discussions on missile defense. Both the U.S. and Russian sides believe the talks were productive. The U.S. presented Russia with a number of ideas and proposals in order to work through our differences; the Russians expressed appreciation for our proposals. Additionally, we agreed to continue expert-level meetings to fill in some of the details and narrow our differences before the next “2+2” meetings.

One U.S. proposal discussed during our meetings is the possible development of a regional missile defense architecture that would integrate U.S. and Russian defensive assets, including radars. This would enhance our ability to monitor emerging threats from the Middle East and could also include the use of assets from NATO Allies. Secretaries Rice and Gates also proposed the idea of a phased operations approach. This idea, which is still under development, proposes that the construction of the sites in Poland and the Czech Republic would be completed, while activation of the sites, turning the switch, so to speak, would be tied to specific threat indicators. Although the U.S. and Russia would cooperate to monitor jointly the Iranian missile program, the U.S. would make decisions on
how to make our European missile defense (MD) elements operational in response to how we see
the threat evolve. The assertion that Washington and Moscow would have to agree jointly whether a
sufficient threat exists from a third country (such as Iran) prior to activating any U.S. European-based
MD system is incorrect. There is no such agreement or understanding with Russia.

These are forward-leaning proposals, and our Russian counterparts have shown interest in them. Although the Russians have not immediately embraced these proposals, they have said both publicly
and privately that they find our proposals interesting and have indicated that they would study them. We believe it is useful and important to continue this missile defense dialogue with Russia. Despite
our differences, it is in our mutual interest to address ballistic missile threats together. Missile threats
from the Middle East, particularly Iran, pose a threat to Russia as well as to the U.S. and our European
Allies. Cooperation between the U.S. and Russia in this domain can enhance the security for both
countries and all of Europe, as well as improve overall U.S. and Russian and U.S. and European
relations.

The Conventional Forces in Europe Treaty and the Istanbul Commitments

Let me now turn to the CFE Treaty and the Istanbul commitments, which were a major point of
discussion in Moscow, and will continue to be a major issue following the “2+2” meeting. I know
that this set of issues is a major concern of the Helsinki Commission, too.

The CFE Treaty has been responsible for the verified destruction of over sixty thousand pieces of
military equipment and countless on-site inspections, advancements which have changed the face of
European security. Openness and transparency regarding all the major armies in Europe have replaced
mistrust and lack of information. The United States and our NATO Allies continue to believe that the
CFE Treaty is a cornerstone of European security.

The updated, or Adapted CFE Treaty was signed at the OSCE Summit in Istanbul in 1999 to take
account of changes that had occurred in Europe since 1990, but has not yet entered into force. The
U.S. and NATO Allies, as well as Russia and other CFE states, look forward to its entry into force.
Russia says it wants that Treaty to enter into force right away, to replace the current Treaty, which they
feel, and we agree, is outdated.

At the time the adapted treaty was signed at the 1999 OSCE Summit in Istanbul, however,
Russia made a number of commitments related to withdrawal of forces and facilities in Georgia and
Moldova, in accordance with the core principle of host-country consent to the stationing of foreign
forces. Russia also committed to reduce its holding of Treaty-limited equipment to the levels it
accepted in the adapted treaty for the CFE “flank” region. Russia has made important progress on
many of those commitments, particularly in Georgia. While three of Russia’s four major bases in
Georgia have been closed, or are nearly closed two under a 2005 agreement dealing with Akhalkalaki
and Batumi a small number of Russian personnel and supplies remain at the Gudauta base, in the
separatist Abkhazia region of Georgia. We are working on a way forward with our Russian and
Georgian colleagues, in consultation with Allies, which could resolve this last, remaining issue
concerning Georgia.

Russian forces also remain in the Transnistrian region of Moldova, some as peacekeepers under a
1992 ceasefire agreement, and others as guards at a large storage depot, where significant amounts of
Soviet-era light arms munitions remain. Moldova wants the ammunition withdrawn or destroyed, and
all Russian forces, including the peacekeepers, withdrawn, and replaced by an international presence,
though not necessarily a military one; in fact, a civilian force replacement is an idea we are seriously
exploring. There has been no progress on Russian withdrawal from Moldova since early 2004, but
we are hoping to change that.
Our challenge has revolved around Russian authorities’ claims that they have fulfilled all those Istanbul commitments they consider to be related to the CFE Treaty. Russian authorities stress that they do not accept NATO’s linkage between the ratification of the Adapted Treaty and the Istanbul commitments. Neither the United States nor our Allies shares that view.

All of the pledges we refer to as the Istanbul commitments were reflected in the CFE Final Act, a political document agreed by the CFE member states at the time the Adapted Treaty was signed at the Summit. There never were two classes of commitments, some related to CFE, and some not.

We are interested in preserving the CFE regime and finding a way forward. Russian authorities, including President Putin, have cited their frustration with NATO’s lack of movement on ratification, combined with Allies’ insistence that Russia complete the Istanbul commitments, as the reasons behind Russia’s intent to suspend implementation of the current CFE Treaty. Russia has also expressed a number of other concerns about the Treaty’s impact on its own security.

The United States and our Allies have responded clearly that we do not agree that those stated concerns, which relate primarily to NATO enlargement and its consequences, constitute a sufficient basis to suspend implementation of this major Treaty. We have held firmly on the issue of flanks. However, we are working to try to bridge what currently divides us. Russia’s threat to suspend implementation of the current CFE Treaty is a matter of serious concern to the United States and to our NATO Allies. We have said that publicly and we have certainly conveyed that message in our bilateral meetings.

With Assistant Secretary for European and Eurasian Affairs Dan Fried in the lead, we have met with our Russian counterparts again since the “2+2” meetings in Moscow to try to find a way to keep Russia from suspending while maintaining Allies and partners’ equities. We plan to hold another meeting in Europe in 2007. Working with NATO Allies, the United States has developed a set of ideas for moving forward together with Russia on parallel tracks, as a way to make progress on remaining Istanbul commitments and to move forward on ratification of Adapted CFE. If Russia is prepared to commit to move on its remaining Istanbul commitments, some NATO Allies are open to beginning the ratification process while Russia is still in the process of completing them.

Our Allies believe that this would send an important signal of NATO’s continued support for CFE. I want to stress that, in developing these ideas, the United States and NATO Allies have worked hand-in-glove. We also have been consulting closely with the Georgian and Moldovan governments. I personally traveled to Chisinau after the “2+2” meeting to consult with President Voronin and his government, and separately met with Georgian Foreign Minister Bezhuashvili to elicit his views as well. Assistant Secretary Fried was just in Tbilisi for further consultations. A transparent, consultative process is key to maintaining Allied unity and effectiveness.

Indeed, we have been brainstorming with Allies, and with Moldova and Georgia, to develop creative ideas to help us move forward. Georgian officials have made clear that they consider CFE and the Istanbul commitments to have been responsible for the withdrawal of nearly all of Russia’s military bases and equipment from Georgian territory. They consider this a major success and, like we, support the Treaty and the Adapted Treaty. They recognize the difficulty of handling the Gudauta question, the facility is located in Abkhazia and Russia claims it is a support facility for its peacekeepers in the region. The Georgians have encouraged the United States to try to facilitate a resolution of this issue with Russia. And that was a major focus in our latest discussions with Russian officials two weeks ago in Berlin.

Similarly, with President Voronin and his team, I discussed ideas for moving forward on withdrawal of Russian munitions at Colbasna; demilitarization of the current Russian-dominated peacekeeping presence; and energizing the Transnistrian political settlements talks. Russia’s military
withdrawal commitment is not conditioned on a Transnistrian political settlement, but the issues are unquestionably closely related. We hope that hard work and creative ideas will enable us to develop a package of steps that makes it possible for the Russian Federation to rescind its plan to suspend implementation of CFE on December 12, 2007 and creates the conditions for fulfillment of remaining Istanbul commitments and ratification of Adapted CFE by NATO Allies.

We were rather encouraged by progress we made in our Berlin meeting with Russian officials two weeks ago. We plan further discussions to try to narrow our differences this week. Should we not succeed, it will not be for lack of serious effort. If we do succeed, we can be comforted by the continued security, stability, and predictability CFE provides. Secretary Rice has three goals regarding this issue:

- To maintain a common NATO approach
- To identify ways forward to achieve fulfillment of remaining Istanbul commitments
- To establish conditions that will make it possible for Russia to continue full implementation of the current CFE Treaty

This will allow NATO Allies, including the United States, to move forward to seek ratification of the Adapted CFE Treaty.

On the issue of ratification, I should make clear that the Administration is not seeking to prejudge either the calendar for Senate action on CFE, or the outcome, though we know this Treaty has long enjoyed broad bipartisan support. We would, however, consult with the Senate about ratification if we and Russia are able to reach a deal that prevents Russia from suspending and moves the ball forward on the Istanbul commitments. Our goal is to capitalize on the range of Allies’ ratification processes to send a constructive signal to Moscow that NATO stands by this Treaty.

**Working with the OSCE on Additional Security Components**

Now I would like to address the effectiveness of the OSCE’s interrelated efforts to combat terrorism, enhance border security and monitor weapons trade in the region, issues, I know, are of interest to this Commission.

The OSCE is at the forefront of counterterrorism efforts in the region and we are encouraged by the results we have seen, both as a security multiplier and in terms of cooperation among countries from the Balkans to the Baltics. The OSCE has proven responsive and effective in coordinating with other international organizations to help train authorities in the region to implement tougher security and counterterrorism practices in areas such as law enforcement, shipping, and document issuance.

One way we are supporting the OSCE’s counterterrorism efforts is by exploring ways for governments to cooperate closely with the private sector and civil society to combat terrorism. The United States and Russia worked together on the Public-Private Partnership Conference held earlier this year under OSCE auspices in Vienna. We are examining concrete proposals to follow up this successful conference, such as an experts’ meeting to highlight critical infrastructure protection “best practices” in 2008. The United States and Russia are also working together on a decision within the OSCE’s Forum for Security Cooperation (FSC) in support of the Global Initiative to Combat Nuclear Terrorism. We tabled this draft on October 31, 2007, and when agreed, it will provide an endorsement by all OSCE participating States for further cooperative action to combat the threat of nuclear terrorism.

In the area of border security, the OSCE plays an important role, particularly in Central Asia. The OSCE is currently examining a potential role in helping to train Afghanistan border authorities. The goal of the training would be to increase Afghan capacity to interdict narcotics and other contraband,
thus helping stem the flow of goods used to finance insurgency and terrorist operations within the country. In cooperation with the OSCE, the Government of Tajikistan has developed a set of projects, including developing a border security strategy, training border guards and improving immigration controls. Similar projects are being developed and conceptualized for other Central Asian states as well.

Confidence-and security-building measures remain a vital element in the long-term security of the OSCE region, and we continue to work with the OSCE to enhance these measures further. Last year, the U.S. sponsored a special meeting focused on energizing participating States to begin national implementation of the provisions of United Nations Security Council Resolution 1540, resulting in a Ministerial Decision that endorsed full implementation of 1540 by participating States. In doing so, the OSCE, as a regional organization, has played a key role in supporting the Resolution, and facilitating broader implementation of this key resolution aimed at preventing the spread of weapons of mass destruction. This spring, the Forum for Security Cooperation (FSC) agreed to our proposal to prepare Best Practice Guides for national implementation, and the first U.S. draft guide is under review now.

To better monitor weapons trade in recent years, the FSC has adopted Documents aimed at controlling stockpiles of Small Arms and Light Weapons (SALW), and conventional ammunition. The U.S. has provided funding for a number of SALW destruction projects in Tajikistan, and manage rocket fuel conversion in Armenia and Georgia. The U.S. also serves as Coordinator for the FSC Editorial Board charged with preparing Best Practice Guides for safeguarding SALW and Ammunition stocks.

The U.S. is committed to furthering security for the people of Europe and Eurasia. Our main goals in this area, as I have explained today, are to work constructively with Russia where we can, though we may at times, of course, have to agree to disagree; to continue to press towards entry into force of the Adapted CFE treaty and complete fulfillment of Russia’s Istanbul commitments. We are also committed to ensuring the success of OSCE efforts to foster and enhance security throughout the region.