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STATEMENT BY THE EUROPEAN UNION AT THE 1070th MEETING OF THE OSCE PERMANENT COUNCIL

8 October 2015

In response to the presentation by the Secretary General of the 2016 Unified Budget Proposal

The European Union Member States thank the Secretary General for his presentation of the 2016 Unified Budget Proposal. We are grateful to the Secretariat and all of the fund managers for their contribution to this vital work. We should also like to take this opportunity to extend our best wishes to Mr. Erik Tintrup, who will be responsible for the budgetary work within the Advisory Committee on Management and Finance, and to thank Ms. Marina Milanović-Ilić for her work last year.

The European Union Member States recall their willingness to foster constructive dialogue within the budgetary process, to which they remain fully committed, and to provide the Organization with the necessary means to accomplish its increasingly numerous and important tasks. We trust that everyone will participate in the same spirit. We remain convinced that the budgetary policy should be effective, economical and strategic. These conditions are essential for achievement of our common goals: consolidation of collective security in the OSCE area based on respect and full implementation of our commitments and shared principles.

We reiterate our commitment to provide the financial and human resources necessary to prevent, manage and resolve crises, particularly the crisis in and around Ukraine, which remains an additional security challenge with financial and structural implications for the OSCE.

However, the allocation of additional funds to manage new crises should not distract the Organization from its aim of effectiveness and efficiency in the use of financial and human resources. The European Union Member States account for 70 per cent of the Unified Budget and are thus the main contributors within this Organization. Given the budgetary and economic situation in some European countries, we call for a responsible and efficient approach to the preparation and establishment of the budget. It is also essential to establish a proactive assessment and feedback policy and to regularly review the OSCE's priorities with allowance for the evolution of the different situations on the ground so as to allow optimum adaptation.

Once again this year, we strongly urge that the autonomous institutions be allowed to accomplish all of their mandates, particularly with regard to election observation.

We welcome the efforts by some missions in South-Eastern Europe to streamline and reduce costs in their 2016 budgets. Emphasis should be placed on resolution of the crisis in Ukraine, and the OSCE's work in Central Asia should also be stepped up. In that context, we welcome the inclusion of the Border Management Staff College in this year's Unified Budget.

We welcome the efforts by the Secretariat to establish this budget and would like at this stage to make the following comments, which we shall return to in greater detail during the discussions.

In spite of the reduction in the number of posts, the Staff Standard Costs continue to rise. This consistent increase, particularly for the Secretariat, will oblige us once again to carefully study all proposals for the creation of posts or the conversion of seconded posts into contractual ones. We recall the commitment by the Secretariat last year to keep a particular eye on increases in Staff Standard Costs. This increase raises the question of reviewing the way these costs are calculated.

We note the proposed transfer of ten posts from the Augmentations Fund to the Secretariat, which can only be a first step, as it is still inadequate in view of commitments undertaken. There is no need to maintain or even temporarily extend this Fund, which was originally created to assist field missions.

We reiterate our call for the development and modernization of the OSCE review system, including the key performance indicators, to ensure that the lessons of the past are learned so as to improve the work of the Organization as a whole but also to enable the fund managers to account more clearly to the participating States for their performance.

Moreover, we recall our commitment to the necessary improvement in the distribution of the burden among the participating States.

Mr. Secretary General, we thank you once again for your presentation which, we hope, will bring about a solution by consensus as soon as possible so as to provide the OSCE with the means necessary to carry out its responsibilities.

The candidate countries the former Yugoslav Republic of Macedonia,¹ Montenegro¹ and Albania¹, the country of the Stabilisation and Association Process and potential candidate country Bosnia and Herzegovina, as well as Ukraine and Andorra, align themselves with this statement.

1 The former Yugoslav Republic of Macedonia, Montenegro and Albania continue to be part of the Stabilisation and Association Process.