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PC.DEL/489/19
9 May 2019

ENGLISH
Original: FRENCH

STATEMENT BY THE EUROPEAN UNION AT THE 1226th MEETING OF THE OSCE PERMANENT COUNCIL

2 May 2019

In response to the presentation by the OSCE Secretary General of the 2020 Programme Outline

The European Union Member States thank the Secretary General and all the fund managers for their contributions to the 2020 Programme Outline.

We reiterate our support for the OSCE and for strengthening multilateralism. The EU Member States, which together account for 70 per cent of the OSCE budgets, attach the greatest importance to budget negotiations, all the more so since considerable additional financial resources, amounting to around 100 million euros, have to be found every year to continue to finance the budget of the Special Monitoring Mission to Ukraine, which is considered separately and is not therefore taken into account when calculating the OSCE budget.

In accordance with the established procedure, the Programme Outline is accompanied by the previous year's Programme Budget Performance Report. The combination of meetings to assess the previous year's performance and discussion on the Programme Outline for the coming year is the first step towards improving the budget cycle.

More than ever, the discussion of past performance is important to enable participating States to establish the policy guidelines they are asked to provide to the fund managers for the following year, based on the experience gained from the previous budget cycle. In that regard and as in previous years, we repeat our wish that the budget planning in future should be based on the assessment of past activities.

We should like to recall that the Programme Outline provides the basis for the start of dialogue between participating States and fund managers. Discussion of the figures will take place in autumn according to the priorities determined by the participating States.

We welcome the initiatives to strengthen the OSCE assessment system, but in spite of constant appeals by the EU Member States to pay greater attention to management based on an assessment of results, we are once again obliged to note that last year's Programme Budget Performance Report still fails to provide enough information about the impact of previous activities on the indicators and targets. In order to maximize the value of future Programme Outlines and the ensuing discussions, we once again emphasize the urgent need to make greater progress in assessment in the OSCE. In that regard, we welcome the sharing of the relevant key performance indicators with the participating States for the first time two years ago and would like this practice to be continued.

We also therefore expect that the OSCE's results-based management system will produce a more systematic approach. In support of this aim, we repeat our appeal to the participating States to adopt the draft decision presented last year on reforming the budget cycle.

Given the importance of horizontal issues in negotiating the budget, we are in favour of continuing consideration of these issues in the Advisory Committee on Management and Finance (ACMF) and relevant working groups. We hope that these discussions will contribute to greater efficiency but will also provide guidelines for fund managers on assessing personnel costs and also on the Augmentations Fund, the question of local taxes, the board and lodging allowance and reform of the secondment system. Horizontal issues should be taken into account at each stage of the budget cycle. We reiterate the importance of integrating them in all OSCE activities.

We expect a solution to be found finally to the question of reimbursement from the Unified Budget of taxes collected by certain participating States on the income of local mission staff. The discussion and consultations over the years have made it possible to identify approaches that still have to be turned into specific formal proposals by the Group of Friends and Experts. We shall continue to monitor this.

We shall examine the Programme Outline with a view to providing the Organization with the means for implementing its mandate in full throughout the OSCE area, while also taking account of the continuing challenges facing the OSCE, particularly because of its involvement in the crisis in and around Ukraine, the protracted conflicts, and the challenges in the Balkans and Central Asia and to European security.

This context, combined with the fact that the national budgets of many participating States are under pressure and that savings have to be made wherever possible, merely emphasizes the need for the rigour demanded of all international organizations, which should also guide the OSCE.

We shall continue to support an increase in the OSCE's human and financial resources in the human dimension, in view of the serious threats to human rights and fundamental freedoms and of the reduced role for civil society in some parts of the OSCE area. While seeking to deal with these challenges collectively, we are reliant on the assistance of the institutions that we consider to be the key assets of this Organization. No substantial additional funding has been allocated to the institutions in the past few years, and we remain deeply concerned by the consequences of insufficient funding.

As in the past, we shall ensure that the allowance for regional realities is reflected in the provision of appropriate funds for the missions in Eastern and South-Eastern Europe and Central Asia, where we support the OSCE's presence and activities in the three dimensions in facing up to major security issues. We also remain convinced of the need for an OSCE presence in Georgia, including a robust monitoring capacity able to operate unhindered across the administrative boundary lines. We reiterate our regret at the closure in recent years of the OSCE offices in Armenia and Azerbaijan.

It remains important to assess the OSCE's response to the crisis in and around Ukraine and to identify the lessons to be learned, in respect both of the OSCE's continued commitment and its effective response to potential future crises.

At the same time, solutions for optimizing the Secretariat's budget need to be explored in the framework of the Secretariat Management Review. Any proposal for increasing the Secretariat's resources should respond to clearly identified needs. We also emphasize the need to concentrate on the main priorities of the Unified Budget.

Finally, we cannot but question the inclusion in the Programme Outline document of issues such as the conditions for mobilizing extrabudgetary projects not covered by the Programme Outline, the aim of which is to provide a basis for the following Unified Budget Proposal.

In addition, we reiterate the importance attached by the EU Member States to gender mainstreaming in the OSCE's activities.

In conclusion, the EU Member States thank you, Secretary General, for your presentation and wish every success to our Albanian colleagues, who will chair the ACMF during the new budget cycle. We hope that the participating States will be able to adopt the Unified Budget in time to allow the Organization to continue its important work unimpeded at the start of 2020.

The candidate countries Montenegro¹ and Serbia¹, as well as Andorra, align themselves with this statement.

1 Montenegro and Serbia continue to be part of the Stabilisation and Association Process.