

## **Swedish Presidency of the European Union**

**OSCE Permanent Council No. 776  
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### **EU statement in response to the presentation by the Secretary General of the 2010 Unified Budget Proposal**

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The European Union thanks the Secretary General for his presentation of the 2010 Unified Budget Proposal and for diligently exercising his important co-ordinating role in the budget process. We would also like to express our thanks to the Secretariat, Institutions, Field operations and all the Fund Managers, who worked tirelessly to prepare this proposal and for submitting it almost a week earlier than last year.

The European Union, consisting of nearly half of the OSCE participating States, attaches great importance to the OSCE Unified Budget, of which it contributes some 72%, and will play an active and constructive role in the discussion this autumn.

We note with satisfaction that the main points of the discussions held during the consideration of the Programme Outline are reflected in this proposal. While reserving our detailed assessment for the discussions that will take place during the next few weeks,

we will focus our comments today on the main trends and the points underscored in the introduction to the proposal.

On the programmatic priorities, the EU recalls its previous comments concerning the need for a budget based on current political and regional developments. Crisis management in all its forms and the promotion of human dimension standards and commitments across the OSCE area should remain at the core of the work of the OSCE, together with the resolution of protracted conflicts in all their aspects, as well as confidence and security building. The budget should reflect the needs and requirements on the ground, in order to enable all participating States to comply with their commitments and the field missions to fulfil their mandates in assisting the host countries, while taking into account the priorities identified by all participating States.

On regional distribution, let me make the following points. The EU continues to support the growing emphasis placed on Central Asia, including regional cooperation on border issues. While noting the trend towards consolidation of the OSCE efforts in South Eastern Europe, the EU continues to see a valuable role for the Organisation to play in that region. The South Caucasus region, suffering from protracted conflicts, requires the continuous attention of the OSCE. The EU will continue to support the efforts of the Greek Chairmanship to restore a meaningful OSCE presence in Georgia. The EU supports the assistance provided by the OSCE to all countries in the Eastern European region to meet their commitments in all three dimensions.

The EU thanks the Secretariat for having issued the Compendium of Horizontal Issues earlier than usual, allowing for a more in-depth discussion of such issues as salaries of locally recruited staff, board and lodging allowances, tax on local staff salaries, premises management and Information and Communication Technology. We also look forward to discussing post table changes.

Turning now to some important budgetary policy issues, the European Union appreciates the effort made to further develop the results based framework. We reiterate our support for merging the evaluation and the planning stages of the budget process, thereby simplifying the budget process. We consider it essential to adopt updated Financial Regulations as soon as possible, as our auditors have repeatedly called on us to do. We call upon all delegations to assume their responsibilities to reach a mutually acceptable solution on these issues.

Finally, the European Union congratulates Kazakhstan on its assumption of the chairmanship of the Advisory Committee on Management and Finance through Mr. Almabek Demessinov and looks forward to constructive and efficient discussions with the Fund Managers of the Organization under his able leadership. The EU calls on all participating States to do their utmost to secure the approval of the 2010 Unified Budget by 20 December 2009 – we will spare no effort ourselves in this regard.

The candidate countries TURKEY, CROATIA\* and FORMER YUGOSLAV REPUBLIC OF MACEDONIA\*, the countries of the Stabilisation and Association Process and potential candidate

countries ALBANIA, BOSNIA AND HERZEGOVINA, and MONTENEGRO, the European Free Trade Association countries and members of the European Economic Area ICELAND and LIECHTENSTEIN, as well as the REPUBLIC OF MOLDOVA and GEORGIA align themselves with this statement.

\*Croatia and Former Yugoslav Republic of Macedonia continue to be part of the Stabilisation and Association Process.