



Organization for Security and Co-operation in Europe

Speech of the OSCE Secretary General, Ambassador Ján Kubiš, at the Winter Meeting of the OSCE Parliamentary Assembly *Vienna, 20 February 2004*

Mr. President, Mr. Secretary General,
Mr. Chairman,
Honourable Members of the Parliamentary Assembly,
Ladies and Gentlemen,

Thank you, as always, for the opportunity to address this meeting. I believe that such interaction is vital for keeping you informed of developments related to the work of the Secretariat. In turn, the political will that is generated through individual Parliaments and the Parliamentary Assembly is essential for keeping the OSCE a dynamic organization able to address contemporary threats to security and promote co-operation. I also think that the OSCE Parliamentary Assembly is a good place for generating new ideas, and that has been evident yesterday and today in the discussions of your Winter Session.

And, as President Bruce George noted yesterday, I am also very glad to see the benefits of the mutual work and support between the us and the PA, indeed a much better relationship than ever. It is indeed advantageous to have such intensive dialogue and interaction, where we can hear and act on each other's points, concerns and recommendations.

The **Maastricht Ministerial Council** took a number of important decisions and, as the Bulgarian Chairmanship has made clear, the priority this year should be on implementation. The Secretariat is already working towards that end. Pursuant to Maastricht, we are supporting the Chairmanship and participating States in implementing the OSCE Strategy to Address Threats and Security in the Twenty-first Century and the OSCE Strategy Document for the Economic and Environmental Dimension. An Anti-Trafficking Assistance Unit will be established in the Secretariat, after the Special Representative has been appointed, to provide assistance to participating States to combat trafficking in human beings. The Action

Against Terrorism Unit is taking a lead role in implementing decisions taken as part of the fight against terrorism. The Conflict Prevention Centre – while maintaining its key role in assisting the Missions and supporting the Chairmanship – is playing an increasingly active role in supporting OSCE initiatives in the politico-military sphere, including the Annual Security Review Conference and the Forum for Security Co-operation, as well as developing a border management capability. And External Co-operation will work with the Chairmanship and participating States on developing further dialogue and co-operation with Partners for Co-operation and exploring the scope for wider sharing of OSCE norms, principles and commitments with others.

This is clear evidence of the fact that the Secretariat is playing an increasingly active role in the substantive work of the Organization. It is in this context that the growing share of “Vienna” in the overall expenditure is to be considered. Besides, the Secretariat has an increasing role in supporting the participating States, and notably the Chairmanship. This has already been welcomed by Bulgaria and we have indications that Slovenia and Belgium—the next Chairmanships - are equally interested in drawing on the expertise, knowledge and resources of the Secretariat. I welcome that.

In addition to following up on Maastricht decisions and supporting the Chairmanship, the Secretariat continues to implement the **Management Agenda** initiated in 2001.

The **Unified Budget process** is at the centre of our management reforms. Increasingly, the budget process is becoming a focal point for structuring our annual and longer-term activities. It is an instrument for matching what Fund Managers consider necessary to fulfil their mandates with what the participating States consider feasible and acceptable. For this reason, and following the adoption of PC Decision 553 on the OSCE’s Unified Budget Process, the 2004 Unified Budget Proposal was presented in a new format. Programmes are now presented with their objectives and outputs clearly set out and in line with the mandate of the respective Fund. Main Categories for Programmes were introduced and used in a standard manner across all Funds, providing a consistent and transparent basis for reporting on activities and expenditures in the future.

The feedback on the **new format** has been generally positive. Efforts to further improve the budget format and process will continue in 2004 and we count on the clear guidance and support of participating States in this regard. In this context, I highly value the comments of

the OSCE Parliamentary Assembly on the 2004 Budget Proposal (PA.GAL/9/03). They will be taken into account during the forthcoming discussion on the budget format. An I am glad to note that numerous PA recommendations were indeed taken into account by the participating States when agreeing on the budget.

The total financial resources requested in the 2004 Unified Budget Proposal were just under 185 million Euro which was 0.4% lower compared to the approved budget for 2003. Following intensive discussions in the Advisory Committee on Management and Finance, the **2004 Unified Budget** was approved at the level of just under 180 million Euro, which includes funds for implementing additional commitments agreed at the Ministerial Council. Our challenge, as always, is to do more with less. I think that it can be said of us that we provide good value for money to participating States.

The OSCE remains a field-oriented organization, with the share of funds related to operational activities representing around 78% of the OSCE's budget for 2004. This year's budget continues the trend of careful and measured reductions in the resources devoted to our missions in South-Eastern Europe, the only exception being our programmes in Serbia and Montenegro.

At the same, the budget for our centres in Central Asia has increased by over 20% from 8 million Euro in 2003 to just over 10 million Euro in 2004. Despite the increase, OSCE activities in Central Asia make up less than 6% of the budget for operational activities in 2004. One of the main obstacles for significantly increasing the amount of resources devoted to this region is the ability to absorb funds. This is partly reflected in the low implementation rates of centres in the region, notably with regard to programmes and projects. Lessons have been learned and we intend to take these into account for future activities in Central Asia.

I am proud to report that we are on time and on budget with the implementation of the OSCE **Integrated Resources Management System** (also known as IRMA) – which is the key component of the Management Agenda. As originally planned, the roll out of the finance modules started on 5 January and will be followed by budget and human resources in April and finally the inventory and payroll by the end of the year.

Once the roll-out of all IRMA modules is completed in January of 2005 it will provide a number of important qualitative and quantitative benefits for the Organization. It will

increase the capacity of the OSCE to turn policy decisions into concrete operations with speed and flexibility, while ensuring full transparency of OSCE activities, clear accountability for decision-making and reduced administrative costs. IRMA will integrate the functions for the management of all OSCE resources put at the disposal of the OSCE, including extra-budgetary and third-party resources. All work processes in IRMA will be streamlined and easy to apply through the use of modern internet technologies, thus allowing more time and effort to be devoted to substantive issues. Furthermore, IRMA will increase the internal controls for the Organization and provide a number of important automatic safeguards that ensures full transparency and clear lines of accountability. IRMA will also provide up-to-date and on-line management reporting on the status of all implementation actions and their relation to the overall programme implementation. This should profoundly change the management culture of our organization.

Since IRMA will have such an impact on the way that the OSCE does business, considerable effort has been made to explain the system to our stakeholders - from initial users in the Secretariat, Institutions and Field Operations to delegations of participating States. Extensive user training has taken place in the last few months and will continue throughout 2004. I am providing participating States with quarterly progress reports and the Working Group on IRMA is closely following the progress of IRMA implementation.

In parallel with improvements to our management of financial, material and human resources, we have also been addressing the management of another valuable resource – information. Presently, the OSCE has no common system for managing its records and documents, which has lead to fragmented and often ad-hoc solutions. As a result, important information and knowledge is lost or is difficult to access when and where it is needed. We need to do more to retain institutional memory, especially as staff rules are such that we have relatively high turn-over. We have therefore introduced a **documents management system** (also known as Doc.In), as a first step in ensuring that we have a single standard for document management. The funding for the project was approved by the Permanent Council this week and we are ready to start its implementation.

A crucial part of the reform of our information management is the OSCE **Intranet**. Simple to use and control, it uses modern IT capability to make documents and reports instantly available to all our staff. It is currently undergoing development and will shortly be made

available to participating States. We are also creating full connectivity among all parts of the organization, which will increase the exchange of information, information security and the interoperability of our activities.

If we can ensure that our administration is well-structured and well-managed, we will be able to make better use of available resources, better support participating States and more effectively co-operate with our partners.

I am confident that with our management reforms we will provide the OSCE with a competitive edge by becoming faster and more transparent in conducting operational activities and I count on your continued support in this regard.

Security remains one of my highest priorities. Obviously, the OSCE's *raison d'être* is to improve the security of all people living in the OSCE area. My personal role, as head of the Secretariat and Chief Administrative Officer of the Organization, is to make sure that the OSCE staff that are carrying out this function are themselves not subject to undue risk or harm.

During the past year, members of international organizations and diplomatic staff found themselves increasingly vulnerable to deliberate and deadly attacks. Prompted by this I initiated an internal review of the OSCE security management system.

Notwithstanding the fact that the host country has primary responsibility for the security of our staff, the Organization has a duty to have in place its own complimentary security arrangements. We have around 3,500 civilian national and international staff in the field in addition to hundreds of staff in the Secretariat and OSCE Institutions, as well as many more members of OSCE delegations. We owe it to them to have all reasonable arrangements in place to reduce the risks they face in carrying out the international community's mandate.

The review is ongoing, but as an initial step the Organization's security functions will now be centralised under my direct supervision with an enhanced office of the OSCE Senior Security Co-ordinator.

I am confident that the changes which will be introduced will give OSCE staff a greater sense of security in going about their important work.

After all, one of the OSCE's most important resources is its staff. That is why I was pleased with the approval of new **Staff Regulations** by the Permanent Council last June. The Regulations encompass all categories of OSCE personnel and constitute a major contribution to the establishment of a comprehensive regulatory framework of the Organization.

Still, some issues remain to be addressed, particularly as regards Mission staff. We need to review the issue of a board and lodging allowance (or BLA). Furthermore, it is our intention to address shortcomings raised in a recent **survey of OSCE seconded mission members** conducted by the Centre for OSCE Research in Hamburg. In a workshop to be held on 27 February a number of pertinent issues will be discussed including recruitment, training, professional working environment, employment conditions, and management. As field activities are so central to the work of the OSCE, we need to ensure that we can continue to attract high quality staff.

Of course, being a non-career service, we have a **high staff rotation rate**, including at the senior management level in Institutions. In 2004 this issue is acute with four senior managers in the Secretariat reaching their maximum period of tenure within the course of this year. While this of course provides an opportunity for the recruitment of new talent, it also presents problems in the abrupt loss of institutional memory and managerial capacity. Nonetheless, we expect the participating States to put forward well-qualified and worthy candidates for these extremely important and demanding positions.

When dealing with staffing issues, we must not overlook the commitment participating States have made to **gender mainstreaming**. I am pleased to note that the Informal Working Group on Gender Equality and Anti-Trafficking has now started to work on a complete revision of the Action Plan for Gender Issues, a task that is long overdue. There is still a gender imbalance in the OSCE which is inconsistent with an organization promoting democratic values and equality. While the Secretariat is sensitive to this issue in terms of recruitment, I urge participating States to help encourage qualified female candidates to apply for vacant posts. I am confident that finding a more equitable gender balance will be duly addressed in the new action plan. I welcome the contribution of the Parliamentary Assembly, in particular

the Special Rapporteur for Gender Issues (Swedish MP Toone Tinsgaard), to this revision process, and to gender mainstreaming efforts in the OSCE in general.

As noted at the outset, the Secretariat is increasingly active in assisting participating States to implement their commitments.

For example, the **Action against Terrorism Unit** continues to play a lead role in many areas of counter-terrorism. In co-operation with the International Civil Aviation Organization (ICAO) and OSCE participating States, it is looking at what national authorities can do to reduce the possibility of a man-portable air defence systems threat against airports and how to respond in such a contingency.

Following the Maastricht Ministerial Council Decision on Travel Document Security, a new initiative has been launched to help improve document issuance and handling standards as well as adopt internationally recommended travel document security standards. As counterfeit travel documents are at the heart of most terrorist operations, this will help inhibit the movement of terrorists. A first meeting of experts from OSCE participating States and ICAO will be held in Vienna on 1-2 March. Workshops will also continue to facilitate regional co-ordination of cross-border activities relating to travel documents.

Taking action against terrorism is an international effort and therefore requires international co-operation. The ATU has effectively strengthened working relations with the UN Counter-Terrorism Committee (UNCTC), the UN Office for Drugs and Crime (UNODC), and other international organizations. In March, this collaboration will be further exemplified with the OSCE hosting in co-operation with UNODC the Third Meeting of the UNCTC with International, Regional and Sub-regional Organizations in Vienna. The focus of this conference will be on improving collaboration between international organizations and regional organizations in our continuing global efforts against terrorism.

Information exchange will be facilitated among participating States through the recently established OSCE Counter-Terrorism Network (CTN). This network will be a useful tool for counter-terrorism practitioners to share information on training and funding opportunities and needs to facilitate national capacity building efforts.

The OSCE continues to develop its policing work, particular through the police assistance programme, established by the **Strategic Police Matters Unit** (SPMU). A high profile operation is the Police Assistance Programme for Kyrgyzstan. In Kazakhstan, the SPMU is providing technical assistance to support the Kazakh Ministry of Internal Affairs' transition to intelligence-led policing. In Armenia and Azerbaijan, Memoranda of Understanding are in the process of preparation for technical and community assistance programmes. Plans are also underway to provide assistance to the new Georgian Government on police-related matters.

In July this year the SPMU will hold its second Police Experts Workshop, following on from a successful event on anti-trafficking in 2003. This year's workshop will focus on investigating sexual crime.

Decisions adopted by the Maastricht Ministerial, notably the OSCE Strategy to Address Threats to Security and Stability in the 21st Century, have once again strongly emphasized the importance that the participating States give to the OSCE's **co-operation with Partner States and partner organizations** and institutions.

Just ten days ago, the Secretariat hosted two substantive and constructive meetings: a Target-oriented meeting and a High-Level Tripartite meeting between the United Nations, the Council of Europe, and the OSCE, as well as other partners notably on how to respond collectively to threats to security and stability in the 21st century and how to improve co-operation in the field. Participants in the Target-oriented meeting held a productive exchange of information on ongoing and planned activities of their organizations in the South Caucasus and looked into ways to enhance mutual co-operation and co-ordination.

Representatives of the Parliamentary Assembly took part in both events, and I am glad to note that the involvement of the Parliamentary Assembly in meetings we hold with partner organizations has become a mutually beneficial tradition.

The Secretariat continues to build closer links and co-operation at all levels with its traditional partners – the UN system, EU, NATO, CoE and other international, regional and subregional organizations and initiatives mostly in the CIS area. A recent notable example is the establishment of contacts with the Shanghai Co-operation Organization (SCO), which includes Russia, China, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

As in the past, the Secretariat continues to work on enhancing relations with the **OSCE Mediterranean and Asian Partners for Co-operation**. In this endeavour we appreciate the support from other members of the OSCE family. I highly welcome the participation by President George in the OSCE Mediterranean Seminar held last October in Aqaba, on 'the comprehensive approach to security: the OSCE experience and its relevance for the Mediterranean region'. The successful outcome of the event led, *inter alia*, to the adoption of a decision on further dialogue and co-operation with the Partners for Co-operation and exploring the scope for wider sharing of OSCE norms, principles and commitments with others. The bringing together of parliamentarians from the OSCE and the Mediterranean during the first Parliamentary Forum on the Mediterranean last October in Rome is another case in point.

More and more States, regions and organizations are interested in the work of the OSCE. For example, a workshop was held last September in Seoul, on the Applicability of OSCE CSBMs in Northeast Asia Revisited. More than thirty OSCE participating States and Partners for Co-operation participated in the event, including the five parties involved in the dialogue process with North Korea. Japan will host the forthcoming OSCE-Japan Conference on the Search for Conflict Prevention in the New Security Circumstances — European Security Mechanisms and Security in Asia to take place on 15 -16 March in Tokyo.

Finally, for those of you who want to know more about the OSCE's activities, the Annual Report for 2003 will be issued shortly, and efforts are being made to further improve public information about the OSCE, particularly in Russian.

To conclude, I want to assure you that the Secretariat is working hard not only to support the Chairmanship and participating States in the on-going work of the Organization, but to implement wide-ranging management reform and improve its Institutional capacity to respond to changing threats and challenges.

Thank you for your attention.