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**582nd Plenary Meeting**

PC Journal No. 582, Agenda item 2

**DECISION No. 705  
COMMON REGULATORY MANAGEMENT SYSTEM**

Acknowledging that the Financial and Staff Regulations of the Organization for Security and Co-operation in Europe (hereinafter referred to as the “OSCE” or “the Organization”), as well as other Ministerial/Permanent Council decisions related to management of the OSCE’s activities, including the mechanisms providing for financial, human and material resources for the OSCE’s activities, constitute the regulatory system for the effective and efficient use of the Organization’s human, financial and material resources,

Further noting that the overall aim of the Regulations and relevant decisions is to facilitate and support the work of the OSCE in fulfilling the tasks assigned to it by the participating States by providing for an effective, efficient and responsive management, while maintaining the highest standards of transparency, cost-efficiency and accountability,

Noting that the Secretary General, in his capacity as Chief Administrative Officer of the Organization, is responsible to the participating States, through the Permanent Council, for the effective and efficient use of the Organization’s human, financial and material resources, in accordance with the Regulations and relevant decisions,

The Permanent Council decides:

- To establish a comprehensive Common Regulatory Management System to structure all the activities of the OSCE and facilitate the effective and efficient management of the human, financial and material resources provided to the Organization for attaining the objectives set by the participating States through the Organization’s decision-making bodies;
- That, through the Common Regulatory Management System, the Organization shall be guided by the principles of full transparency and accountability towards the participating States, and of effective and efficient management of its operations;
- That the Organization shall continue to incorporate relevant modern management practices and relevant new technical developments, and that the Secretary General shall report regularly to the Permanent Council on progress in this field and propose ways to further improve the Organization’s management and the Common Regulatory Management System;

- That the Common Regulatory Management System shall be structured in three distinct layers:
  - (a) A first layer consisting of the Financial and Staff Regulations and other relevant decisions of the Ministerial Council and/or Permanent Council, related to management of the OSCE's activities, which provides the general framework upon which the other regulatory layers shall be built;
  - (b) A second layer consisting of the Financial and Staff Rules elaborating the Financial and Staff Regulations, where appropriate; and
  - (c) A third layer consisting of financial, staff, administrative and security instructions, which provide more detailed work-related guidance for the day-to-day management of the OSCE's activities, in accordance with the provisions of the first and, where applicable, second layers;
  
- That whereas the first layer remains the exclusive prerogative of the participating States, through the Organization's decision-making bodies, the Secretary General, as Chief Administrative Officer of the OSCE, shall be responsible for preparing, issuing and revising the second and third layers of the Common Regulatory Management System. In issuing or revising rules and instructions, the Secretary General shall act in strict compliance with and within the limits prescribed by the relevant provisions of the Financial and Staff Regulations as well as other Ministerial Council/Permanent Council decisions related to management of the OSCE's activities. Prior to issuing or revising rules, the Secretary General shall consult with institutions and field operations, as appropriate, and shall submit such rules in a timely manner to the Advisory Committee on Management and Finance (ACMF) for consideration, and in case objections are raised in the ACMF, to the Permanent Council, for approval. Any budgetary or extra-budgetary implications of amendments to rules shall be presented to the Permanent Council for approval before the rules in question are promulgated. The Secretariat shall inform the ACMF as a rule in advance of issuing instructions, and shall consult on these instructions if so requested by the ACMF.

The Permanent Council may revise, amend or suspend at any time any element of the Common Regulatory Management System.