

PC.DEL/822/08
16 October 2008

ENGLISH
Original: FRENCH

STATEMENT BY THE EUROPEAN UNION AT THE 735th MEETING OF THE PERMANENT COUNCIL

16 October 2008

In response to the presentation by the Secretary General of the 2009 Unified Budget Proposal

The European Union (EU) thanks the Secretary General for his presentation of the Unified Budget Proposal for 2009. We should also like to express our thanks to the Secretariat, the programme managers, and all those who worked tirelessly to prepare this proposal within the time allotted.

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.

The EU recalls its previous comments concerning the need for a budget based on current political and regional developments. The budget should reflect the needs and requirements of the field, in order to assist the host countries in complying with their commitments and the field missions in fulfilling their mandates, while taking into account the priorities identified by the participating States. In this regard, the EU continues to support the growing emphasis placed on Central Asia and the Southern Caucasus. We remain committed, however, to continuing the OSCE's engagement with South Eastern Europe, while noting the trend towards consolidation of its efforts in that region. While recalling that options relating to the engagement with Afghanistan were proposed in the form of extrabudgetary projects, we would appreciate having an idea of their potential impact on resource planning for the 2009 Unified Budget.

We are prepared to discuss questions relating to salaries of locally recruited staff, board and lodging allowances and taxation of local staff salaries. With regard to the post table, the EU takes note that the job classification process has not been completed, and that seven times more upgrades than downgrades of posts are proposed. We will examine these proposals on the basis of their own merits.

The EU will do everything in its power to reach an agreement on the budget within the deadlines set by the Permanent Council. By the same token, we consider it essential to conclude the discussion on simplifying the budget procedure, and on updating the Financial

Regulations, as soon as possible. We call upon all delegations to assume their responsibilities to reach a mutually acceptable solution on these issues.

This demand for rigour seems to us particularly necessary in a context in which our Organization has recently faced challenges that have given it an opportunity to demonstrate its effectiveness, while underscoring the limitations of its capacity. The EU continues to believe in the relevance of the choices made at Helsinki in the past, and it hopes to see this Organization reach new milestones.

The candidate countries Turkey, Croatia and the former Yugoslav Republic of Macedonia*; the countries of the Stabilisation and Association Process and potential candidate countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; the European Free Trade Association countries and members of the European Economic Area Iceland, Liechtenstein and Norway; as well as Ukraine, the Republic of Moldova, Armenia and Georgia align themselves with this statement.

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