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STATEMENT BY THE EUROPEAN UNION AT THE 999th MEETING OF THE OSCE PERMANENT COUNCIL

Vienna, 8 May 2014

In response to the presentation by the Secretary General on the 2015 Programme Outline

The European Union Member States thank the Secretary General and all the programme managers for their contribution to the 2015 OSCE Programme Outline.

This year's Programme has been drafted in a special context given that the participating States have not yet reached agreement on the 2014 Unified Budget, discussion of which has been made difficult by excessive politicization and the persistent refusal of some delegations to demonstrate the necessary willingness to compromise. We regret this attitude and call on those concerned to demonstrate a spirit of co-operation in the new budget cycle.

The Programme includes an important innovation. For several years, we have been calling for an ambitious reform of the budget cycle. The combination of the meetings for reviewing the performance of the previous year and for drafting the Programme Outline for the coming year is a welcome improvement. In our opinion, it is but one stage in a more ambitious reform of the OSCE budgetary procedure, which is too cumbersome and repetitive. The Advisory Committee on Management and Finance (ACMF) should continue to consider reforming the budget cycle, taking inspiration from reforms in other international organizations that have adopted a biennial budget.

Our wishes for future budget planning should be based on a review of activities previously undertaken. They should also take account of the various performance indicators. It is a pity that the report on the pilot performance indicators has not yet been submitted to the participating States in time for the discussion next week, and we call on the Secretariat to do so. This would represent a small but concrete step towards improving the transparency and importance of this stage of the budget cycle. We would ask the Secretariat to include the relevant performance indicators in the Unified Budget Proposal for 2015. We have had the impression all too often that the budget proposals have been formulated without having learned the lessons from the previous budget cycle.

In the same way, we shall examine the Programme Outline with a view to providing the Organization with the means to carry out all of its mandates. We should nevertheless bear in mind the necessary rigour required of all international organizations, which should also act as a guideline for us. In spite of this constraint, we have seen from some of the field missions

in South-East Europe that it is possible, thanks to operational savings, more efficient management and the setting of relevant priorities, to optimize some programmes without endangering the implementation of the mandate as a whole.

We remain concerned by the abiding difficulties with cross-cutting budgetary issues. This is the case in particular with the development of wage costs, where further discussion of systematic measures is required. A working session and a chapter devoted to cross-cutting issues would be worth including in this budgetary phase, as we already pointed out last year.

We shall examine the substance of the Programme Outline on the basis of our priorities, without prejudice to the outcome of the Ministerial Council meeting in Basel. Above all, we shall support the reinforcement of the OSCE's human and financial resources in the human dimension, given the growing challenges it faces. It is unacceptable that in spite of the savings made every year we do not manage to reallocate significant resources to our independent institutions that have demonstrated their needs and cannot fully carry out their mandates, including the central activities. It is also abnormal that we cannot manage to earmark sufficient credits for the missions in Central Asia.

We shall also look very carefully at the credit programming for 2015 in the context of the crisis in Ukraine so as to ensure that the Organization has the necessary credits to confront the developments there.

Regarding the prevention of transnational threats, we shall support programme measures aimed at strengthening internal and external co-ordination.

We would like more information on projects connected with the restructuring of the Secretariat and the anticipated consequences.

More generally, we regard the field missions and independent institutions as being vital to the Organization's success. We therefore believe that budget allocated to the Secretariat should not be increased at the expense of the funds earmarked for the missions and independent institutions.

In conclusion, the European Union wishes every success to Ms. Marina Milanović-Ilić, who will be presiding over the work of the ACMF during the new budget cycle.

The candidate countries the former Yugoslav Republic of Macedonia¹, Montenegro¹ and Iceland², the countries of the Stabilisation and Association Process and potential candidate countries Albania and Bosnia and Herzegovina, as well as the Republic of Moldova, Georgia and Andorra, align themselves with this statement.

1 The former Yugoslav Republic of Macedonia and Montenegro continue to be part of the Stabilisation and Association Process.

2 Iceland continues to be a member of the European Free Trade Association.