



**Organization for Security and Co-operation in Europe
Permanent Council**

PC.DEC/1331
13 June 2019

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1232nd Plenary Meeting

PC Journal No. 1232, Agenda item 3

**DECISION No. 1331
USE OF THE CASH SURPLUS FOR STRENGTHENING THE
INFRASTRUCTURE OF THE OSCE**

The Permanent Council,

Acting in accordance with the relevant provisions of the Financial Regulations,

Taking into account the urgency to fund investments aimed at improving the efficiency of the Organization and addressing essential infrastructural investments,

Recalling the initial 2019 Unified Budget Proposal of 28 September 2018, distributed under PC.ACMF/80/18, with particular regard to the proposals referring to the investments in information and communication technology (ICT) and office infrastructure and the results of the budget discussions on this issue,

Decides that:

414,000 euros from the 2017 cash surplus should be authorized to fund the infrastructure investments in the framework of the Fund of the Secretariat, as outlined in the annex, on an exceptional basis and without prejudice to future use of the cash surplus.

ESSENTIAL INFRASTRUCTURAL INVESTMENTS

For the purpose of ensuring funding for various capital investment needs, the essential infrastructural investments include funding for the following items:

			EUR
OSG/Conference and Language Services Section	Meeting room equipment	Equipment costs	39,500
DMF/Information and Communication Technology Section	ICT-related capital expenditures	Equipment costs	212,900
DMF/Mission Support Services Section	Office infrastructure capital expenditures	Equipment costs	40,000
DMF/Mission Support Services Section	Asset tracking and barcoding solution	Equipment costs	30,400
DHR/Talent Management	Online recruitment solution	Equipment costs	91,200
Total			414,000

Meeting room equipment

The Burghauptmannschaft (landlord) intends to renovate the Ratsaal in the Hofburg in 2019. Most of the cost associated with the Ratsaal renovation is expected to be met by the Burghauptmannschaft. It will, however, be necessary for the OSCE to acquire essential meeting room equipment that is not under the responsibility of the landlord, including different multimedia equipment. The meeting equipment for the Ratsaal, which includes media control equipment and projectors/screens, is necessary to ensure that the Ratsaal has a basic level of minimum functionality that is comparable to other meeting rooms in the OSCE premises and meets current minimum technical standards. If this additional funding is not made available, the functionality of the Ratsaal as a meeting room will be critically compromised. Existing equipment cannot be used in the new Ratsaal because it is over ten years old and therefore obsolete, and uses outdated analogue VGA technology.

ICT-related capital expenditures

The ICT infrastructure assets represent part of the core Organization-wide IT network and systems infrastructure, serving not only the Secretariat, but all other executive structures' network and systems connectivity needs (including the Special Monitoring Mission to Ukraine (SMM)). It covers the periodical replacement of hardware devices such as network switches, routers, firewalls, IP phones, servers, storage, etc. It also includes the capital expenditure for the regular replacement of the end-user devices and equipment that reach their end-of-life as well as different ICT accessories necessary for maintaining regular ICT operations (i.e. consumable and spare parts).

Office infrastructure capital expenditures

The Secretariat, together with the Office of the Representative on Freedom of the Media moved from its old premises to the current ones located at Wallnerstrasse 6/6a in 2007. The building is offered at no rental cost by the Austrian Government and the City of Vienna. Palais Palfy is classified as a protected historical monument and the OSCE bears all operating costs, including utilities, maintenance and security. To date, capital investments of an ongoing nature have been postponed, with most urgent repairs addressed within operational budgets. However, this is no longer sustainable. The building has not had major investments since the renovation in 2007 and the warranties have expired on a number of the infrastructure items. Additionally the Mission Support Service budget has been reduced significantly over the years and with continued pressure on the operating budget, these essential investments cannot be accommodated.

Online recruitment solution

Continued failure to modernize the recruitment technology has a significant impact on efficiency and the ability to provide timely recruitment and related reporting to all stakeholders. Modern tools are a key requirement for responsive service delivery and an aid to attracting the quality of talent the Organization needs to be successful. The lack of a modern system has become particularly apparent since the establishment of the SMM. A modernized OSCE recruitment platform would not only vastly improve the efficiency and recruitment in all executive structures, but would also enhance the OSCE employer brand.

Asset tracking and barcoding solution

For the purpose of tangible assets verification and tracking (barcode scanning), the OSCE is using a custom-made system (the “barcoding portal”) which was developed in 2013 based on Microsoft mobile technology. Microsoft abandoned this technology and is no longer providing technical support. The upgrade to the overall Microsoft infrastructure (move to Windows 10) that is planned to start in 2019 will mark the end-of-life of the barcoding portal as the software will not be compatible with the new ICT infrastructure. Against this background, the OSCE has the option to either upgrade the existing system to make it compatible with the new ICT infrastructure, or to acquire a brand new system. Should funding not be granted for this acquisition, the OSCE would not be able to perform the yearly physical verification of tangible assets Organization-wide (amounting to more than 65,000 assets with an estimated purchase value of 75.1 million euros) in a reasonable amount of time as the process would have to be performed manually. The result would be a significant gap in asset control and assurance.

Budget overview

The total budget of 414,000 euros consists of only equipment costs.

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Attachment

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**INTERPRETATIVE STATEMENT UNDER
PARAGRAPH IV.1(A)6 OF THE RULES OF PROCEDURE
OF THE ORGANIZATION FOR SECURITY AND
CO-OPERATION IN EUROPE**

By the delegation of the United States of America:

“The United States wishes to make an interpretative statement under paragraph IV.1(A)6 of the Rules of Procedure of the Organization for Security and Co-operation in Europe.

In joining consensus on the use of the cash surplus for strengthening the infrastructure of the OSCE, the United States makes no commitment to any increases in US contributions in future years due to the use of previous years’ cash surpluses in this instance.

I request that this interpretative statement be attached to the decision and to the journal of the day.

Thank you, Mr. Chairperson.”