



**STATEMENT BY THE PERMANENT REPRESENTATIVE OF SERBIA
AMBASSADOR VUK ŽUGIĆ AT THE 999th MEETING OF THE OSCE
PERMANENT COUNCIL**

8 May 2014

Mr. Chairperson,

I would like to thank Mr. Müller, Director for Management and Finance, for his presentation of the Programme Outline for 2015. Serbia appreciates the commitment of all structures involved in producing the Programme Outline, especially having in mind that this year's changes have been introduced to improve the programming and budgeting process.

After years of deliberations how to improve the planning and budget processes, the OSCE executive structures took first steps in that direction by merging the discussions on the PBPR and Programme Outline, while retaining a separate document for each element. We hope that joint discussions in the coming weeks will improve the link between evaluations and planning phases of the programme budget process.

We also believe that this new approach would make the Programme Outline process truly strategic with focus on setting the key direction for the activities of the individual funds. We expect all participating States to make a constructive contribution to identifying short- and medium-term priorities in concrete areas of activity, by providing fund managers with clear political guidance for defining their budget proposals for next year. Moreover, we believe that the new concept of Programme Outline combined with biannual budget planning would contribute even better to the effectiveness and efficiency of the Organization.

Serbia stands ready to continue improving the budget cycle. It is our wish to make the budget cycle process more efficient, thus providing our Organization with resources that are available in a timely and accountable manner.

Following the discussions on the programme priorities, we will prepare the Incoming Chair's Perception Paper. We are looking forward to working together with the participating States and the fund managers in preparing this document. In this process, we will make every effort to take into account the views of all participating States.

Regarding the 2015 Programme Outline of the Chairmanship-in-Office, we offered a clear strategic framework of our activities in 2015 in accordance with the Joint Work Plan that sets out the priorities for our two consecutive Chairmanships. It goes without saying that we intend to build upon the work done by the Swiss Chairmanship in the course of 2014. In the meantime, our two chairmanships will adjust our joint priorities where needed and in accordance with the given complex circumstances and developments we couldn't perceive in the time of drafting Joint work plan.

In conclusion, we cannot but regret the fact that we are starting with the 2015 Programme Outline discussions without certainty of having this year's budget adopted. We commend the Swiss Chairmanship for tireless efforts invested in finding a compromised solution and hope they would bring about a positive outcome soon. After more than seven months of negotiations and a number of proposals put forward by the Swiss Chairmanship, we are at the point when the adoption of budget must be tackled with particular sense of urgency.

Negative consequences of late approval of the budget are evident and cause serious problems in everyday work of our Organization, especially in the field operations. We need to provide the Organization with the sound financial footing in order to make it fully functional, effective and able to perform the tasks, particularly in circumstances which we cannot anticipate. When developments on the ground call for our urgent engagement, we must ensure that the Organization has adequate human and financial resources in place.

We need to bear in mind that the OSCE is facing with increasing requests for assistance and a growing number of tasks in all three dimensions, while its budget decreases with each year. We would encourage all participating States to take into account the long-term effects of this

trend and have in mind that the Organization must have adequate resources at its disposal if it is to fulfill its mandate. We all have our particular interests and priorities, but only by working together we will be able to identify the main priorities for the future activities of the Organization.