

The OSCE Secretariat bears no responsibility for the content of this document and circulates it without altering its content. The distribution by OSCE Conference Services of this document is without prejudice to OSCE decisions, as set out in documents agreed by OSCE participating States.

PC.DEL/1161/24  
4 October 2024

ENGLISH  
Original: FRENCH

**STATEMENT BY  
THE EUROPEAN UNION AT THE 1490th MEETING OF THE  
OSCE PERMANENT COUNCIL**

3 October 2024

**In response to the presentation of the 2025 Unified Budget Proposal**

The Member States of the European Union thank you warmly, Madam Officer-in-Charge/Secretary General, for your presentation of the Unified Budget Proposal for 2025.

Our thanks also go to the Maltese delegation, in particular to Ms. Elizabeth Abel-Hampel, who, under difficult circumstances, has relentlessly sought a compromise on the Chairmanship's 2024 budget proposal.

We extend a warm welcome to the Finnish delegation, in particular Ms. Lotta Karlsson, and wish it every success in the forthcoming negotiations within the Advisory Committee on Management and Finance.

The EU Member States reiterate their strong and steadfast support for the role of the OSCE in safeguarding security in all its dimensions and for all its institutions, missions and activities. We therefore deplore the consequences of the absence of a Unified Budget since 1 January 2022, which has resulted in underfunding for the majority of the Organization's structures at a time of strong inflation. More generally, we regret that recourse to a mechanism of provisional allotments has created additional management difficulties for all the OSCE structures.

This year, the Permanent Council has already been obliged to adopt two decisions authorizing additional expenditure to avoid budget deficits in the election observation activities of the Office for Democratic Institutions and Human Rights and in the budget of the Secretariat's Conference and Language Services programme. Regarding the anticipated deficits in the other structures, we have taken note of the draconian savings measures implemented by the Secretariat in early September and remain committed to supporting a solution that would keep the Organization as a whole financially viable in 2024. This solution should be in line with the OSCE's principles and commitments and cover all structures – the Secretariat, the autonomous institutions and the field operations – in the three dimensions and throughout the entire OSCE area. In short, an OSCE "à la carte" is not acceptable. Moreover, in 2023 the Organization was obliged for the first time in its history to resort to voluntary contributions covering certain operating expenses so as to avoid deficits in a number of structures as a result of insufficient funding. This exceptional solution must not become the norm.

We take the opportunity here to mention another exceptional solution implemented after the closure in 2022 of the Organization's field operation in Ukraine, namely the Project Co-ordinator in Ukraine, as a result of Russia's war of aggression against that country. The Support Programme for Ukraine, established with extrabudgetary funds, has made it possible to maintain an OSCE presence on the ground. We welcome

its activities in projects responding to the needs of the Ukrainian authorities and helping them to overcome the immense challenges as a result of this war, which has flouted the principles of the Helsinki Final Act with serious consequences for the stability of the entire area and the Organization as a whole.

Furthermore, we regret that consensus has not yet been reached on adopting the draft decisions on the Financial Report and Financial Statements for the years ended 31 December 2023 and 31 December 2022. The participating States that are against their adoption are citing grounds that have nothing to do with the purpose of those documents. These decisions are of a technical nature, and blocking them only makes it more difficult for the Secretariat and adversely affects the interests of all participating States. If these decisions are not adopted, it will not be possible to return the budget surplus for 2023 to the participating States according to the modalities and timetable provided for in the Financial Regulation.

We should also like to take the opportunity here of stressing the urgency of adopting the Unified Budget Proposal for 2024 by the Maltese Chairmanship without delay. We commend the determined efforts of the Maltese Chairmanship to that end. It is in this spirit that we call upon those delegations that have not yet joined the consensus to support this proposal so as to focus on the Organization's interests, which are the common interest of all the participating States.

More generally, we call upon all participating States to act consistently with their commitments and to provide the Organization with adequate financial resources for implementing them, so as to allow the OSCE to function effectively in its three dimensions. We remain convinced that the adoption every year of a Unified Budget taking due account of the needs of the OSCE structures is vital for assuring the proper functioning of our Organization.

A sufficient budget is also the necessary basis for the reforms that are under way in the Organization, including the functional review, with the aim of further enhancing its effectiveness and efficiency. In that regard, we welcome the work already done and would be interested to hear what progress has been made.

At any event, the Organization's financial resources also face another challenge, in that several delegations have not paid their contributions to the Unified Budget for the past two years or more. We call upon those delegations to demonstrate responsibility and pay their contributions to the Unified Budget, so as to put their commitment to the Organization into practice. The absence of a Unified Budget and of Scales of Contributions adopted by consensus could create legal and technical difficulties, but the political aim of providing the necessary support to the Organization should have priority and make it possible to overcome these obstacles.

We welcome the intention of the new Finnish Chairmanship of the Advisory Committee on Management and Finance of working towards more strategic planning of the budget process, improving its efficiency and possibly modernizing the working methods within the Organization. We will support the Finnish Chairmanship in its efforts to adopt a Unified Budget for 2025 within the allotted time.

We thank you, Madam Director, and all the Fund Managers for your efforts for the benefit of the Organization.

The candidate countries North Macedonia<sup>1</sup>, Montenegro<sup>1</sup>, Serbia, Albania<sup>1</sup>, Ukraine, the Republic of Moldova and Bosnia and Herzegovina<sup>1</sup>, the European Free Trade Association countries and members of the European Economic Area, Iceland, Liechtenstein and Norway, as well as Andorra, Monaco and San Marino, align themselves with this statement.

---

1 North Macedonia, Montenegro, Serbia, Albania and Bosnia and Herzegovina continue to be part of the Stabilisation and Association Process.