

Chairmanship: Malta

1488th PLENARY MEETING OF THE COUNCIL

1. Date: Thursday, 19 September 2024 (in the Neuer Saal and via video teleconference)

Opened: 9.30 a.m.
Suspended: 12.40 p.m.
Resumed: 3 p.m.
Closed: 5.45 p.m.

2. Chairperson: Ambassador N. Meli Daudey
Mr. A. Sant Fournier
Ms. D. Borg

Prior to taking up the agenda, the Chairperson welcomed the new Permanent Representative of the Holy See to the OSCE, H.E. Monsignor R. A. Gyhra, the new Permanent Representative of Italy to the OSCE, H.E. Ambassador A. Cascone, and the new Head of the Council of Europe Office in Vienna, H.E. Ambassador H. Poppeller, to the Permanent Council.

Chairperson, Russian Federation (PC.DEL/1059/24 OSCE+)

3. Subjects discussed – Statements – Decisions/documents adopted:

Agenda item 1: ADDRESS BY THE MINISTER FOR FOREIGN AFFAIRS
OF FINLAND, H.E. MS. ELINA VALTONEN

Chairperson, Minister for Foreign Affairs of Finland (PC.DEL/1080/24 OSCE+), Hungary-European Union (with the candidate countries Albania, Bosnia and Herzegovina, Georgia, Moldova, Montenegro, North Macedonia and Ukraine; the European Free Trade Association countries Iceland and Liechtenstein, members of the European Economic Area; as well as Andorra, Monaco and San Marino, in alignment) (PC.DEL/1087/24), United Kingdom, Russian Federation (PC.DEL/1069/24), Türkiye, Kazakhstan, Armenia, United States of America (PC.DEL/1077/24), Azerbaijan (PC.DEL/1092/24 OSCE+), Albania (PC.DEL/1073/24 OSCE+), Norway (PC.DEL/1094/24), Moldova (PC.DEL/1086/24 OSCE+), Switzerland (PC.DEL/1083/24 OSCE+), Canada (PC.DEL/1072/24 OSCE+), Ukraine (PC.DEL/1099/24),

Uzbekistan, Sweden (PC.DEL/1081/24 OSCE+), Belarus (PC.DEL/1076/24 OSCE+), Georgia (PC.DEL/1098/24 OSCE+), Liechtenstein (PC.DEL/1074/24 OSCE+), Serbia, Denmark (PC.DEL/1095/24), Turkmenistan (PC.DEL/1101/24 OSCE+), North Macedonia, Japan (Partner for Co-operation) (also on behalf of Australia (Partner for Co-operation)) (PC.DEL/1079/24), Israel (Partner for Co-operation)

Agenda item 2: THE RUSSIAN FEDERATION'S ONGOING AGGRESSION AGAINST UKRAINE

Chairperson, Ukraine (PC.DEL/1100/24), Hungary-European Union (with the candidate countries Albania, Bosnia and Herzegovina, Georgia, Moldova, Montenegro, North Macedonia and Ukraine; the European Free Trade Association countries Iceland, Liechtenstein and Norway, members of the European Economic Area; as well as Andorra and Monaco, in alignment) (PC.DEL/1088/24), United Kingdom, Türkiye, Canada (PC.DEL/1091/24), Switzerland (PC.DEL/1084/24 OSCE+), Sweden (PC.DEL/1082/24 OSCE+), Lithuania, Russian Federation, United States of America (PC.DEL/1060/24), Israel (Partner for Co-operation), Belarus

Agenda item 3: REPORT BY THE HEAD OF THE OSCE PRESENCE IN ALBANIA

Chairperson, Head of the OSCE Presence in Albania (PC.FR/10/24 OSCE+), Hungary-European Union (with the candidate countries Bosnia and Herzegovina, Georgia, Moldova, Montenegro, North Macedonia, Serbia, Türkiye and Ukraine; and the European Free Trade Association countries Iceland and Liechtenstein, members of the European Economic Area, in alignment) (PC.DEL/1089/24), United States of America (PC.DEL/1061/24), United Kingdom, Türkiye, Russian Federation (PC.DEL/1063/24 OSCE+), Norway (PC.DEL/1093/24), Switzerland (PC.DEL/1085/24 OSCE+), Slovenia (PC.DEL/1070/24 OSCE+), Albania (PC.DEL/1071/24 OSCE+), Armenia, Azerbaijan

Agenda item 4: DECISION ON THE APPOINTMENT OF THE EXTERNAL AUDITOR

Chairperson

Decision: The Permanent Council adopted Decision No. 1486 (PC.DEC/1486) on the appointment of the External Auditor, the text of which is appended to this journal.

Hungary (also on behalf of Albania, Andorra, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, the Netherlands, North Macedonia, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden and Ukraine) (interpretative

statement, see attachment 1 to the decision), Austria, United Kingdom, Canada (interpretative statement, see attachment 2 to the decision)

Agenda item 5: DECISION ON THE 2024 ADDITIONAL PROVISIONAL
EXPENDITURE AUTHORIZATION FOR THE
CONFERENCE AND LANGUAGE SERVICES
PROGRAMME

Chairperson

Decision: The Permanent Council adopted Decision No. 1487 (PC.DEC/1487) on the 2024 additional provisional expenditure authorization for the Conference and Language Services programme, the text of which is appended to this journal.

Hungary (also on behalf of Albania, Andorra, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, the Netherlands, North Macedonia, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden and Ukraine) (interpretative statement, see attachment 1 to the decision), Canada (interpretative statement, see attachment 2 to the decision), Azerbaijan (interpretative statement, see attachment 3 to the decision), United Kingdom, Russian Federation, Armenia (interpretative statement, see attachment 4 to the decision), France

Agenda item 6: REVIEW OF CURRENT ISSUES

- (a) *Sixteen years have elapsed since the full-scale military aggression against Georgia by the Russian Federation:* Georgia (PC.DEL/1097/24 OSCE+), Hungary-European Union (with the candidate countries Albania, Bosnia and Herzegovina, Georgia, Moldova, Montenegro, North Macedonia, Türkiye and Ukraine; the European Free Trade Association country Liechtenstein, member of the European Economic Area; as well as Andorra and San Marino, in alignment) (PC.DEL/1090/24), Ukraine, Türkiye, United States of America (PC.DEL/1062/24), Estonia (also on behalf of Bulgaria, Canada, Czechia, Denmark, Finland, Iceland, Ireland, Latvia, Lithuania, Norway, Poland, Romania, Slovakia, Sweden, Ukraine, the United Kingdom and the United States of America) (PC.DEL/1065/24 OSCE+), Russian Federation (PC.DEL/1064/24 OSCE+)
- (b) *On the increasing military involvement of certain NATO and EU member States in yet more confrontation in and around Ukraine:* Russian Federation (PC.DEL/1066/24)
- (c) *Hostile information activities and campaigns against the 2024 Paris Olympic and Paralympic Games:* France (PC.DEL/1078/24 OSCE+) (PC.DEL/1078/24/Add.1 OSCE+)

Agenda item 7: REPORT ON THE ACTIVITIES OF THE
CHAIRPERSON-IN-OFFICE

Non-paper on the appointment of the Secretary General and Heads of Institutions (CIO.GAL/77/24 Restr.): Chairperson

Agenda item 8: REPORT OF THE OFFICER-IN-CHARGE/SECRETARY
GENERAL

- (a) *Participation of the Officer-in-Charge/Secretary General in the concluding meeting of the 31st OSCE Economic and Environmental Forum on “Enhancing security and stability in the OSCE region through digital innovation, contributing to sustainable development and climate adaptation”, held in Prague on 12 and 13 September 2024: Officer-in-Charge/Secretary General (Director of the Conflict Prevention Centre) (SEC.GAL/80/24 OSCE+)*
- (b) *Launch of “Out of the Shadows: Addressing the Dynamics of Trafficking in Persons Belonging to Minorities, including National Minorities” by the Office of the Special Representative/Co-ordinator for Combating Trafficking in Human Beings and the Office for Democratic Institutions and Human Rights, held in Vienna and via video teleconference on 11 September 2024: Officer-in-Charge/Secretary General (SEC.GAL/80/24 OSCE+)*
- (c) *Meetings of the Officer-in-Charge/Secretary General with directors, staff and heads of OSCE field operations on the difficult budgetary situation at the OSCE: Officer-in-Charge/Secretary General (SEC.GAL/80/24 OSCE+)*

Agenda item 9: ANY OTHER BUSINESS

Parliamentary elections in Liechtenstein to be held on 9 February 2025: Liechtenstein (PC.DEL/1075/24 OSCE+)

4. Next meeting:

Thursday, 26 September 2024, at 10 a.m., in the Neuer Saal and via video teleconference



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

PC.DEC/1486
19 September 2024

Original: ENGLISH

1488th Plenary Meeting
PC Journal No. 1488, Agenda item 4

**DECISION No. 1486
APPOINTMENT OF THE EXTERNAL AUDITOR**

The Permanent Council,

Recalling Article VIII of the Financial Regulations of 27 June 1996 (DOC.PC/1/96) concerning the OSCE External Auditors,

Recalling its Decision No. 1460 of 7 September 2023 appointing the Court of Audit (*Rechnungshof*) of the Republic of Austria as the OSCE External Auditor for the period 7 September 2023 to 15 September 2024,

Taking note of the offer of the Court of Audit of the Republic of Austria to provide external audit services to the OSCE,

Decides, on an exceptional basis and without creating a precedent, to extend the appointment of the Court of Audit of Austria as OSCE External Auditor for an additional two audit cycles covering the 2024 and 2025 Financial Statements, expiring on 1 July 2026.

Pursuant to Financial Regulation 8.01, the costs for travel and daily subsistence allowance (DSA) will be reimbursed from the OSCE Unified Budget.

**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 Hungary (also on behalf of Albania, Andorra, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, the Netherlands, North Macedonia, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden and Ukraine):

“With regard to the Permanent Council decision on the appointment of the External Auditor, the Member States of the European Union would like to make the following interpretative statement under the relevant provisions of the Rules of Procedure.

We wish to express our gratitude once again to the Austrian Court of Audit, in particular because it is agreeing for a second time to extend its services as the Organization’s External Auditor. We remember all the circumstances in which the Austrian Court of Audit assumed its mandate at a late stage in 2023 after several months during which the Organization had found itself without an External Auditor.

Furthermore, given that the normal duration of the External Auditor’s tenure of office as defined in Financial Regulation 8.01 is three years, the EU Member States firmly support a two-year extension of the tenure of office of the Austrian Court of Audit. The external audit of an international organization is a complex task that must be carried out over time and be based on a long-term vision. A tenure of office of three years is essential for adequate monitoring of the Organization’s financial stability.

The EU Member States stress that this Permanent Council decision must not set a precedent for future decisions of a similar nature and would like the appointment of the Organization’s External Auditors to be decided in future on the premise of the normal duration of three years as specified in the Financial Regulations.

We request that this interpretative statement be attached to the decision and included in the journal of today’s meeting.

The candidate countries North Macedonia¹, Montenegro¹, Serbia¹, Albania¹, Ukraine, the Republic of Moldova, Bosnia and Herzegovina¹ and Georgia, the European Free Trade

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

Association countries and members of the European Economic Area Iceland and Liechtenstein, as well as Andorra and San Marino, align themselves with this statement.”

PC.DEC/1486
19 September 2024
Attachment 2

Original: ENGLISH

**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 Canada:

“Madam Chairperson,

Regarding decisions PC.DD/19/24 on the 2024 additional provisional expenditure authorization for the Conference and Language Services (CLS) programme, and PC.DD/18/24 on the appointment of the External Auditor, Canada would like to make the following interpretative statement under paragraph IV.1(A)6 of the OSCE Rules of Procedure:

Regarding the decision on the 2024 additional provisional expenditure authorization for CLS, Canada supports the allocation of 1,166,300 euros on an exceptional basis, for the activities of the Conference and Language Services programme from the 2023 cash surplus. Support for the decision is in the better interest of the Organization. However, as a more sustainable solution, participating States should agree to a Unified Budget as a matter of urgency and pay their assessed contributions in full and on time.

We emphasize that the piecemeal approach of allocating resources is a bad financial management practice, is neither sustainable nor desirable, and should not become common practice.

We want to acknowledge the difficult situation that the lack of a Unified Budget creates for the well-being of OSCE staff. We thank them for their dedication and professionalism to our Organization.

Regarding decision PC.DD/18/24 of 10 September 2024 on the appointment of the External Auditor, we extend our gratitude to the Austrian Court of Audit, the *Rechnungshof*, and our host country for their generous offer to extend their mandate for another two years. We are pleased to support the decision as proposed by the Chairmanship.

We emphasize the need for participating States to return to the practice of appointing external auditors in a timely fashion and for normal tenures of office, which according to Article VIII of the Financial Regulations, is three years.

Canada requests that this statement be attached to both decisions. Thank you.”



1488th Plenary Meeting
PC Journal No. 1488, Agenda item 5

DECISION No. 1487
2024 ADDITIONAL PROVISIONAL EXPENDITURE
AUTHORIZATION FOR THE CONFERENCE AND LANGUAGE
SERVICES PROGRAMME

The Permanent Council,

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

Reiterating the importance of full transparency and accountability in the functioning of the OSCE,

Acknowledging that agreement could not yet be found on all programmatic activities and noting the need to continue some of these discussions,

Reiterating the importance of Permanent Council Decisions No. 486 of 28 June 2002 and No. 553 of 27 June 2003,

Acknowledging that the discussions on the 2024 Unified Budget are still ongoing, without prejudice to the outcome of these discussions,

Further acknowledging that the discussions on the 2023 Financial Report and Financial Statements for the year ended 31 December 2023, distributed on 2 July 2024 under PC.ACMF/21/24, are still ongoing in the ACMF, and given that this document is subject to agreement by the Permanent Council,

Recalling Financial Regulation 3.04 – Provisional Expenditure Authorization,

Recalling Financial Regulation 3.01(b) – with reference to the authority of the Permanent Council to take decisions on all elements of the budget,

Takes note of the OSCE 2024 Year-End Financial Forecast report under PC.ACMF/25/24 of 18 July 2024;

Approves the additional provisional expenditure authorization of 1,166,300 euros for the activities of the Conference and Language Services Programme, on an exceptional basis, as set forth in the annex;

Determines that this additional provisional expenditure authorization shall be financed from the cash surplus reported in the 2023 Financial Report and Financial Statements for the year ended 31 December 2023.

2024 ADDITIONAL PROVISIONAL EXPENDITURE AUTHORIZATION

Fund	Provisional Expenditure Authorization	Total Forecast Expenditure 2024	Estimated Year-End Balance	Additional Provisional Expenditure Authorization	Total Provisional Expenditure Authorization
Main Programme	Financial Regulation				
Programme	3.04*				
	A	B	C=A-B	D	E=A+D
The Secretariat					
Secretary General and Central Services					
Conference and Language Services	5,437,500	6,603,800	(1,166,300)	1,166,300	6,603,800
TOTAL ADDITIONAL PROVISIONAL EXPENDITURE AUTHORIZATION				1,166,300	

*Reflects provisional expenditure authorization until the end of 2024.

**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 Hungary (also on behalf of Albania, Andorra, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Montenegro, the Netherlands, North Macedonia, Poland, Portugal, Romania, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden and Ukraine):

“The Member States of the European Union welcome the adoption of the Permanent Council decision granting an authorization of additional expenditure for Conference and Language Services (CLS).

Conference and Language Services enables the work of the entire OSCE and we must maintain the service level required to ensure that the Organization can function well. Through this decision we have avoided the risk of a sudden disruption to the functioning of meetings of the decision-making bodies all the way to the end of the year.

Going forward, the participating States should ensure that sufficient resources are allocated to the CLS programme.

More generally, we call upon all the participating States to act consistently with their commitments and to provide the Organization with adequate means for implementing these, so as to allow the OSCE to function effectively in its three dimensions. We reiterate our urgent appeal to all the participating States to adopt a Unified Budget for 2024, and we stand ready to join consensus thereon as soon as possible.

Furthermore, several delegations have not been paying their contributions to the Unified Budget for two years now or even longer. At present, these delegations are therefore enjoying conference-related and linguistic services free of charge. We call upon these delegations to demonstrate responsibility and pay their contributions to the Unified Budget, thereby putting into practice their commitment to the Organization.

The candidate countries North Macedonia¹, Montenegro¹, Serbia¹, Albania¹, Ukraine, the Republic of Moldova, Bosnia and Herzegovina¹ and Georgia, the European Free Trade

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

Association countries and members of the European Economic Area Iceland and Liechtenstein, as well as Andorra and San Marino, align themselves with this statement.”

PC.DEC/1487
19 September 2024
Attachment 2

Original: ENGLISH

**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 Canada:

“Madam Chairperson,

Regarding decisions PC.DD/19/24 on the 2024 additional provisional expenditure authorization for the Conference and Language Services (CLS) programme, and PC.DD/18/24 on the appointment of the External Auditor, Canada would like to make the following interpretative statement under paragraph IV.1(A)6 of the OSCE Rules of Procedure:

Regarding the decision on the 2024 additional provisional expenditure authorization for CLS, Canada supports the allocation of 1,166,300 euros on an exceptional basis, for the activities of the Conference and Language Services programme from the 2023 cash surplus. Support for the decision is in the better interest of the Organization. However, as a more sustainable solution, participating States should agree to a Unified Budget as a matter of urgency and pay their assessed contributions in full and on time.

We emphasize that the piecemeal approach of allocating resources is a bad financial management practice, is neither sustainable nor desirable, and should not become common practice.

We want to acknowledge the difficult situation that the lack of a Unified Budget creates for the well-being of OSCE staff. We thank them for their dedication and professionalism to our Organization.

Regarding decision PC.DD/18/24 of 10 September 2024 on the appointment of the External Auditor, we extend our gratitude to the Austrian Court of Audit, the *Rechnungshof*, and our host country for their generous offer to extend their mandate for another two years. We are pleased to support the decision as proposed by the Chairmanship.

We emphasize the need for participating States to return to the practice of appointing External Auditors in a timely fashion and for normal tenures of office, which according to Article VIII of the Financial Regulations, is three years.

Canada requests that this statement be attached to both decisions. Thank you.”

**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 Azerbaijan:

“In connection with the decision on the 2024 additional provisional expenditure authorization for the Conference and Language Services programme adopted by the Permanent Council on an exceptional basis, the delegation of Azerbaijan would like to make the following interpretative statement for the record.

The delegation of Azerbaijan joined the consensus on this decision on the basis of the understanding that the decision adopted today by the Permanent Council acknowledges that the discussions on the 2024 Unified Budget are still ongoing, without prejudice to the outcome of these discussions. This decision also acknowledges explicitly that agreement could not yet be found on all programmatic activities and notes the need to continue some of these discussions.

In this regard, the delegation of Azerbaijan reiterates its support for the early adoption of the Unified Budget, which would allocate the scarce financial resources of the OSCE where they are needed the most to fund the programmatic activities that are relevant and around which there is consensus. Dysfunctional, obsolete and irrelevant structures, namely the so-called ‘Minsk Process’, Personal Representative of the Chairperson-in-Office and High-Level Planning Group, programmatic activities which are not agreed upon, must be removed from the budget. This will ensure that the Organization remains relevant, agile and continues to deliver.

The decision we have adopted today also acknowledges that the discussions on the 2023 Financial Report and the Financial Statements for the year ended 31 December 2023, distributed on 2 July 2024 under PC.ACMF/21/24, are still ongoing in the Advisory Committee on Management and Finance (ACMF) and that this document is subject to agreement by the Permanent Council.

Hence, the 2023 Financial Report and Financial Statements for the year ended 31 December 2023, referred to in this decision, are not accepted by the Permanent Council. This document is subject to ongoing discussions in the ACMF and subject to agreement by the Permanent Council, in accordance with OSCE Financial Regulations 8.06(c), 8.06 (e) and 7.05.

We request that this interpretative statement be attached to the Permanent Council decision and to the journal of the day.”

PC.DEC/1487
19 September 2024
Attachment 4

Original: ENGLISH

**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 Armenia:

“In connection with the adoption of the Permanent Council decision on the 2024 additional provisional expenditure authorization for the Conference and Language Services programme, the delegation of Armenia would like to make the following interpretative statement under paragraph IV.1(A)6 of the OSCE Rules of Procedure.

Armenia joins the consensus noting the efforts by the Chairmanship to find a solution to the outstanding issues, including the urgent need of additional provisional expenditure authorization for the Conference and Language Services programme to ensure the smooth conduct of activities by Conference and Language Services.

We are deeply concerned that the primary cause of the current situation is the non-approval of the OSCE’s Unified Budget, which has been consistently blocked due to the unconstructive and maximalist approach of one participating State, which has chosen to exploit the budgetary process through blackmail and unsubstantiated demands.

Armenia reiterates its readiness to support early adoption of the Unified Budget based on OSCE working methods, commitments and decisions taken at the highest level, including those related to the Minsk Process, the High-Level Planning Group and the Personal Representative of the Chairperson-in-Office on the conflict dealt with by the OSCE Minsk Conference, the tasks, purposes and objectives of which have been explicitly defined and agreed upon by all participating States.

Armenia requests that this interpretative statement be attached to the adopted decision and to the journal of the day.”