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STATEMENT ON BEHALF OF THE MEMBER STATES OF THE EUROPEAN UNION AT THE 1395th MEETING OF THE OSCE PERMANENT COUNCIL

20 October 2022

In response to the presentation of the 2023 Unified Budget Proposal by Ms. Helga Schmid, Secretary General

The Member States of the European Union thank you sincerely, Madam Secretary General, for your presentation of the 2023 Unified Budget Proposal in these "extraordinary times", as you rightly put it in your letter addressed to the participating States.

Our thanks also go to the Polish delegation, in particular to Ms. Aleksandra Mikula, who over the past 12 months has relentlessly sought a compromise on the Unified Budget Proposal for 2022 in a very difficult context.

We warmly welcome and wish the delegation of North Macedonia, in particular Mr. Jani Bogoevski, every success in the forthcoming negotiations within the Advisory Committee on Management and Finance.

The EU Member States wish to reiterate their firm and continuous support for the OSCE in all its dimensions, for its institutions, for all of its missions and activities and for the wholehearted commitment you have shown, Madam Secretary General. Now that our security finds itself threatened by the unjustified and unprovoked war of aggression launched by Russia against Ukraine, we need this Organization, which plays an essential part in collective security in the OSCE area, more than ever.

For the OSCE to be able to fulfil its tasks, it needs a budget that, at a time of high inflation, puts at its disposal the necessary financial and human resources, in particular for the prevention, management and resolution of conflicts, notably the conflict affecting Ukraine, and, what is more, covering the three dimensions. In addition, 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 effectiveness and efficiency.

Unfortunately, the Organization has been deprived of a budget since 1 January and it has been forced to operate under a mechanism of monthly allotments based on the 2021 budget from 1 April onwards. We regret that this situation has greatly impaired the everyday functioning of the Organization and created some major difficulties in terms of management. In this regard, the EU Member States would like to condemn the attitude of Russia, which is blocking adoption of the budget by way of calling into question – in violation of the principles of the Helsinki Final Act and the Charter of Paris – the OSCE's activities, in particular those in the human dimension. With respect to the budget, we call on Armenia and Azerbaijan to adopt a

constructive attitude so that the 2022 budget can be adopted. We issue an urgent appeal to the responsibility of all the participating States for adopting the Unified Budget for 2022.

Being fully aware of the major impact of monthly allotments on the functioning of the Organization and given the unprecedented context, the EU Member States pledge themselves to study the 2023 Unified Budget Proposal in a constructive spirit. In this regard, we issue an appeal to the responsibility of all the participating States for adopting the 2023 Unified Budget within the established time frame.

In conclusion, we fully subscribe to your appeal to resolve these budgetary problems as a matter of urgency. We thank you, Madam Secretary General, and all the Fund Managers for your efforts for the benefit of the Organization.

The candidate countries North Macedonia, Montenegro, Serbia, Albania, Ukraine and Moldova, the potential candidate countries Bosnia and Herzegovina and Georgia, the European Free Trade Association country and member of the European Economic Area Iceland, as well as Andorra and San Marino, align themselves with this statement.