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**STATEMENT BY MR. ALEXANDER LUKASHEVICH,
PERMANENT REPRESENTATIVE OF THE RUSSIAN FEDERATION,
AT THE 1114th MEETING OF THE
OSCE PERMANENT COUNCIL**

4 October 2016

On the 2017 OSCE Unified Budget Proposal

Mr. Secretary General,

We have listened attentively to your statement about the OSCE Unified Budget Proposal for next year and would like to make a few comments on it.

We regard the budget as an important political document defining the tasks of all the executive structures of our Organization and the human and financial resources required for them. We expect these tasks to be based on corresponding instructions from the decision-making bodies and to reflect the approaches agreed by all participating States to the programme activities of the institutes and field presences.

The determination of the budget parameters should take into account the continuing difficult economic situation in the OSCE countries and the necessary cutback in national budgets, including funds earmarked for international affairs. On the other hand, the significantly greater total cost of ensuring the OSCE's activities, including the Special Monitoring Mission to Ukraine, amounting this year to around 220 million euros, also needs to be taken into account. This sum is considerably higher than the Organization's budgets for the past ten years.

Russia has pointed out these facts during the discussion of the OSCE Programme Outline for next year. We have made specific proposals for optimizing the expenditure of all executive structures by focusing on the most pressing problems and winding up programmes not based on the agreed agenda. We have also presented really workable recommendations for making savings in the allocated resources. Unfortunately, we are forced to note that some of our proposals have not been taken into account. Instead, the budget proposal once again contains demands that were turned down last year. Under these circumstances, we shall once again insist on a decrease in unjustified budgetary demands and on presentation of detailed information on planned outlays.

We believe that the current discussion of the budget gives us an opportunity to analyse the work of the field presences, particularly from the point of view of their fulfilment

of paragraph 41 of the 1999 Charter for European Security regarding the transfer by missions of their operations to the host countries. In that regard, it can be assumed that all the required government structures have been established over the years in these countries and are operating successfully. The OSCE field presences should not therefore be expected to remain there indefinitely. Instead, a curtailment of many non-relevant programmes and posts would result in substantial budgetary savings.

We shall present our specific proposals for the budgets of all executive structures during the discussions in October. We trust that the heads of the institutes and field presences will listen to our remarks. We also hope for constructive support by the Austrian chairmanship of the Advisory Committee on Management and Finance with a view to achieving consensus on all aspects of the OSCE Unified Budget.

Thank you for your attention.