



Organization for Security and Co-operation in Europe

**Secretary General Thomas Greminger
Closing remarks at the 27th Annual Session
of the OSCE Parliamentary Assembly
Berlin, 11 July 2018**

Mr. President,
Secretary General,
Distinguished Members of the Parliamentary Assembly,
Dear colleagues,

Thank you for inviting me to take part in this important meeting.

Europe is currently experiencing a multiplicity of security challenges and threats to co-operation unlike any we have seen before. Divisions and distrust among and within participating States are on the rise. Military conflict has re-emerged against a backdrop of increasing unpredictability. Nationalist and populist rhetoric is fostering unilateral and unconstructive approaches.

Profound disagreements on how to apply the principles and commitments of our common security space put stability at stake in the OSCE area.

We need to avoid discussions that lead to mutual accusations and a repetition of well-known positions. We will only succeed in re-establishing a security order based on mutual trust and shared rules if we take seriously the OSCE's *raison d'être*: enhancing meaningful and constructive dialogue.

New ideas and creative approaches are needed now more than ever. William Blake famously said: "what is now proved was once only imagined". I find it inspiring to recall how the Heads of State and Government who gathered in Istanbul in 1999 saw the Parliamentary

Assembly: as an institution “continuously providing new ideas and proposals”. European security is in need of innovative approaches and the PA has proven to be an excellent source.

Distinguished Members of the PA,

In today’s world, multilateralism and multilateral institutions are targets of acute criticism. Many of our citizens share this view. To ensure that the OSCE is sensitive to the aspirations and needs of our citizens, we need you, the Parliamentary Assembly, to represent their voices. The OSCE PA is by definition the most diverse and pluralistic of our structures. You represent a great variety of perspectives and interests.

But we also need to be able to convey what we do and why it matters. As OSCE PA members you are in a privileged position – and have the great responsibility – to connect our organization with the political establishment as well as grassroots communities and civil society.

You are also extremely well placed to engage in parliamentary diplomacy, an essential tool for managing and preventing conflict. Parliamentarians, with your unique access to decision-makers in governments and political parties, have proven to be effective many times in the past.

Currently there is a specific case where I see great potential for your involvement. Athens and Skopje recently reached a historic agreement on the longstanding name dispute that could pave the way for a full-fledged European future for the former Yugoslav Republic of Macedonia. But to be effective and enter into force, the agreement needs strong political support, including the support of both legislative bodies. As OSCE PA members, you can play a critical role in supporting constructive and results-oriented discussions.

Ladies and gentlemen,

The OSCE is a respected voice for security and co-operation in Europe, and it is widely seen as a cost-effective organization. We can be proud of our successes in key areas. Allow me to briefly highlight a few of them.

We continue to provide platforms for dialogue, including in the politico-military sphere. Currently our flagship initiative is the Structured Dialogue process, where capitals play a vital role. The Structured Dialogue has stimulated useful exchanges on threat perceptions, force postures and military doctrines. I hope the process will help reinvigorate existing confidence- and security-building measures. And perhaps, further down the road, even revive genuine interest in conventional arms control.

A number of practical, verifiable steps could be considered to ease tensions. These could include enhancing measures on incident prevention, self-restraint measures, voluntary notification of major exercises and complementary regional CSBMs, such as information exchange and additional visits. To achieve those goals we will need political will. And your support.

The OSCE continues to play a critical role in addressing the biggest obstacle to European security and co-operation: the crisis in and around Ukraine.

The human cost of the conflict in eastern Ukraine is devastating. The failure of the sides to respect the ceasefire or to withdraw heavy weapons — especially from populated areas — continues to result in civilian deaths and injuries. Access to basic necessities like water, food and medicine is severely curtailed for hundreds of thousands of people on both sides of the contact line.

Our Special Monitoring Mission to Ukraine, operating in increasingly difficult conditions, continues to monitor the situation, assist civilians and support meaningful dialogue. The sides should fulfill their commitments and guarantee our monitors' safety, and grant them unhindered access throughout the conflict zone. They also need to stop targeting our UAVs.

We need a new political impulse to break the current deadlock. After more than four years of fighting, military logic prevails. So I am encouraged that the Normandy Four are re-engaging at high levels. There is no real alternative to the Minsk agreements and the parties should fully implement them. If agreement should be reached on launching a peace operation in eastern Ukraine, we are ready to closely co-operate with the UN. We have proven our worth as an impartial observer and as an honest broker.

I am convinced that achieving a peaceful settlement in eastern Ukraine is possible. But responsibility for peace lies with the parties. I urge all who have influence on the sides to press them harder to take real and substantial steps to end the conflict.

Ultimately achieving sustainable peace in eastern Ukraine hinges on political will. This is obviously also true for the protracted conflicts in our region.

So I am pleased by recent positive developments in the Transdniestrian settlement process, in which the OSCE plays a key role. Joint efforts have resulted in tangible progress for residents of both banks, positively influencing citizens' everyday lives. This demonstrates that co-operation is possible and can lead to results even in protracted conflicts.

So we must intensify our efforts to work together constructively in all the existing mediation formats — including by bringing more women to the negotiation tables. The evidence is indisputable that the meaningful engagement of women in peace processes leads to more effective and sustainable outcomes. A failure to include women is a waste of resources and a missed opportunity to use all possible factors to achieve peace.

The OSCE is well prepared to rebuild trust through incremental, step-by-step approaches. We already do this in many areas, such as combatting trafficking of human beings, weapons and drugs, or countering violent extremism. Our 16 cyber-security confidence-building measures are another excellent example. Agreed by consensus, they aim to lower the risk of misperception and miscalculation connected to the use of information technologies by State authorities. Now we need to focus on implementation.

Dear colleagues,

In turbulent times, taking new approaches and exploring creative ideas can paradoxically be the best way to remain committed to our core principles. This is part of my rationale for proposing a reform agenda for the OSCE to ensure the Organization remains fit for purpose and ready to seize opportunities for co-operation.

Constructive discussions with participating States on how to improve the budget cycle are already taking place and I hope to conclude these before we leave for the summer recess. In April, I convened a Security Days expert roundtable to explore how the OSCE can further

strengthen the effectiveness of our existing work in the field, as well as to explore new ways of adding value on the ground, such as by creating thematic hubs and liaison offices.

A new regional dynamic in Central Asia and positive developments in the Western Balkans are creating openings where the OSCE can make a difference. We also have opportunities for intensified co-operation with our Mediterranean and Asian Partners. Indeed, leveraging partnerships is another crucial element of the reform agenda – and not only with our Mediterranean and Asian Partners, but also with the UN and other regional organizations.

Further steps are also needed to bring youth and gender perspectives and concerns into the mainstream of our work. There is also room for improving administrative and organizational procedures on issues such as human resources policies and information technology systems. A Management review of the Secretariat, supported by Ernst & Young, is currently taking place. It will soon provide a number of action-oriented and practical recommendations that will increase the efficiency and effectiveness of the Organization. So I am contributing the Secretariat's part to making the OSCE "fit for purpose". However, this is not enough!

Excellencies,

Today the OSCE is at a crossroads politically, strategically and financially. We need to collectively engage in recreating a shared vision of the OSCE's future.

The Organization suffers from chronic underfunding. If the current Zero Nominal Growth policy continues, our Unified Budget will be reduced in real terms by 10% by 2025. This situation will result in a weakening of our relevance as an organization, and in a reduction in our capacity to strengthen security for our participating States. We will also face increasing exposure to legal, financial, operational and reputational risks.

Due to the budget negotiated vacancy rate within the Secretariat, approximately 1 in every 20 posts are not funded. I start the year with uncovered expenses amounting to €1.6 million. This underfunding is managed by not hiring staff that is needed to carry out the planned programmatic activities or underspending operating costs, which likewise results in cancellation of activities.

This approach is simply not sustainable. It also contains a contradiction: the Executive Structures will not be able to deliver what the participating States have tasked them to do at the beginning of the year.

The unified budget of the OSCE equals the cost of a modern F-22 jet fighter. Is cooperative security not worth a slightly higher investment?

The alternative to properly funding the OSCE is to cut down on activities and right-size the Organization to match the available funding. This option would require rethinking our priorities to reduce activities and programmes deemed less critical.

The decision is up to participating States. And legislative bodies and parliamentarians across our region will have their say.

Dear colleagues,

Let me conclude on a positive note.

We will only succeed if we work together, with a sense of common purpose across the entire OSCE family. As Secretary General I am deeply satisfied with the excellent relations that the OSCE Secretariat and the Parliamentary Assembly maintain at all levels. I would like to express my sincere gratitude to President Tsereteli and Secretary General Montella, as well as to their able teams, for their collaborative and constructive approach. I look forward to further strengthening our ties in the future.

Thank you.