



330th Plenary Meeting

PC Journal No. 330, Agenda item 2

**DECISION No. 408
SCALE FOR LARGE OSCE MISSIONS
AND PROJECTS/Corrected reissue***

The Permanent Council,

Recalling Copenhagen Ministerial Decision No. 8 (MC(6).DEC/8) on a Scale for Large OSCE Mission and Projects,

Referring to Vienna Ministerial Council Decision No. 6 (MC(8).DEC/6) instructing the Permanent Council to reach agreement no later than 31 March 2001 regarding a scale and criteria for financing OSCE activities,

Noting the interim financing arrangement for the scale of contributions for large OSCE missions established in PC Decision No. 398 (PC.DEC/398),

1. Approves the attached Scale of Contributions. This scale will be applied as of 1 January 2002 and will govern the contributions of all participating States to the financing of large OSCE missions and projects. This scale will be applied until 31 December 2004;
2. Decides that the Interim Financial Agreement established in PC Decision No. 398 will be applied until 31 December 2001;
3. Reaffirms the decision of the 1992 Helsinki Summit to review periodically the scale as well as questions related to criteria forming the basis of the scale;
4. Decides to adopt a new scale of contributions to fund all OSCE missions and field operations, to be applied as of 1 January 2005. This new scale will be based on the following:
 - Capacity to pay;
 - A ceiling of 14 per cent on the contribution of any one participating State;
 - A floor of 0.02 per cent on the contribution of any one participating State;

* Incorporates amendments to Attachment 1 to the decision.

- The political nature of the Organization;
- Revision of the scale every three years based on the above and the current United Nations-adjusted GNP figures.

SCALE FOR LARGE OSCE MISSIONS AND PROJECTS
effective from 1 January 2002

Country	Per cent	Country	Per cent
United States of America	13.57	Slovenia	0.14
Germany	11.31	Iceland	0.12
France	10.34	Romania	0.10
Italy	10.34	Belarus	0.07
United Kingdom	10.34	Bulgaria	0.06
Canada	5.27	Kazakhstan	0.06
Spain	4.41	Uzbekistan	0.06
Belgium	4.07	Federal Republic of Yugoslavia	0.05
Netherlands	4.07	Albania	0.02
Sweden	4.07	Andorra	0.02
Russian Federation	3.72	Armenia	0.02
Switzerland	2.65	Azerbaijan	0.02
Austria	2.36	Bosnia and Herzegovina	0.02
Denmark	2.36	Estonia	0.02
Finland	2.36	Georgia	0.02
Norway	2.36	Holy See	0.02
Poland	1.05	Kyrgyzstan	0.02
Turkey	0.75	Latvia	0.02
Ireland	0.63	Liechtenstein	0.02
Greece	0.58	Lithuania	0.02
Czech Republic	0.50	Malta	0.02
Hungary	0.46	Republic of Moldova	0.02
Portugal	0.45	Monaco	0.02
Luxembourg	0.30	San Marino	0.02
Slovakia	0.18	Tajikistan	0.02
Ukraine	0.18	the former Yugoslav	
Croatia	0.14	Republic of Macedonia	0.02
Cyprus	0.14	Turkmenistan	<u>0.02</u>
		TOTAL	100.00

**INTERPRETATIVE STATEMENT
UNDER PARAGRAPH 79 (CHAPTER 6) OF
THE FINAL RECOMMENDATIONS OF THE
HELSINKI CONSULTATIONS/Corrected reissue***

By the Delegation of Ukraine:

“In connection with Permanent Council Decision No. 408 (PC.DEC/408) of 5 April 2001, which was adopted today, and with regard to the Statement made by the Chairman of the Permanent Council on establishing a working group to elaborate a draft scale of contributions to the regular OSCE budget, the Delegation of Ukraine would like to make the following interpretative statement:

1. Ukraine believes that the adoption by the OSCE Permanent Council of Decision No. 408 (PC.DEC/408) of 5 April 2001 on a new scale of contributions for large OSCE missions and projects cannot be considered as appropriate implementation of the relevant decisions of the Helsinki (1992) and Istanbul (1999) OSCE Summits, or of the Copenhagen (1997) and Vienna (2000) OSCE Ministerial Council Meetings.
2. Ukraine has agreed to the adoption of the above-mentioned Permanent Council Decision in the light of the assurances received today that serious work on reviewing the Helsinki scale of contributions within the framework of a specially established working group under the leadership of the Delegation of Canada will start soon. It is our firm belief that the group will achieve concrete results on the new scale of contributions by 21 November 2001.
3. We also consider that a decision on entry into force of the reviewed scale of contributions from 1 January 2002 should be adopted before the adoption of the budget for the year 2002. Otherwise the Delegation of Ukraine will have difficulties in approving the adoption of this budget.

Furthermore, taking into account the necessity of strict fulfilment of the OSCE Summit and Ministerial Council Decisions, Ukraine will have to reconsider its financial obligations under the Helsinki (1992) Summit Decision (“Financial arrangements of the CSCE and cost-effectiveness”), and also under Permanent Council Decision No. 408 (PC.DEC/408) of 5 April 2001.”

* Incorporates corrections of typographical errors in the text.

**INTERPRETATIVE STATEMENT
UNDER PARAGRAPH 79 (CHAPTER 6) OF THE
FINAL RECOMMENDATIONS OF THE HELSINKI CONSULTATIONS**

By the Delegation of Turkey:

“In connection with the Decision on a Scale for Large OSCE Missions and Projects (PC.DEC/408) adopted by the Permanent Council, I would like to state the following for the record.

While adopting a new scale of contributions to fund all OSCE missions and field operations, the criterion of “capacity to pay” should be based on estimates of gross national product, per capita income, external debt burden, conversion rates and similar factors.

I would like to request that this interpretative statement be attached to the Journal of the day.”

**INTERPRETATIVE STATEMENT
UNDER PARAGRAPH 79 (CHAPTER 6) OF THE
FINAL RECOMMENDATIONS OF THE HELSINKI CONSULTATIONS**

By the Delegation of the Russian Federation:

“In connection with the OSCE Permanent Council decision adopted today on a scale of contributions for large missions and projects, the Russian Federation states the following.

The adoption of this decision does not constitute a full answer to the previous decisions of the OSCE governing bodies regarding a review of basic criteria for financing the Organization’s activities. It completely sidelines the issue of reviewing the Helsinki scale. The Russian Federation assumes that the Romanian Chairmanship will continue consultations on this matter with a view to adopting, as soon as possible, a specific, official Permanent Council decision. Otherwise, we will find ourselves in a situation where double standards are applied with regard to decisions of the OSCE governing bodies, some decisions being considered binding while others are treated as optional.

Depending on the nature of the decision eventually adopted on a review of the Helsinki scale, the Russian Federation reserves the right to return to the basic principles of the new scale of contributions for financing OSCE missions and field operations as set out in paragraph 4 of the Permanent Council’s decision. It cannot be ruled out that by 1 January 2005 it will be necessary to review both the “ceiling” of 14 per cent and the “floor” of 0.02 per cent in order to take full account of the capacity of OSCE participating States to pay and of the political nature of the Organization. Accordingly, in approaching the issue of the “ceiling” on contributions we shall be guided by the rule “nothing is agreed until everything is agreed”.

The Russian Federation requests that this interpretative statement be attached to the journal of this meeting of the OSCE Permanent Council.”

**INTERPRETATIVE STATEMENT
UNDER PARAGRAPH 79 (CHAPTER 6) OF THE
FINAL RECOMMENDATIONS OF THE HELSINKI CONSULTATIONS**

By the Delegation of Kazakhstan:

“The Republic of Kazakhstan is in favour of implementing the decision of the OSCE’s 1992 Helsinki Summit on periodic review of the scale of contributions to the OSCE as rapidly as possible. In this context, we consider that the scale or scales of contributions for the whole OSCE budget should be based on United Nations criteria and above all on the ability of participating States to pay.

In this connection, we wish to stress the importance of an early review of the Helsinki scale of contributions and express the hope that the establishment of a special working group will expedite the solution of this problem.

The Republic of Kazakhstan does not support the adoption of a new scale for all OSCE missions and field operations based on the criteria set out in paragraph 4 while retaining the Helsinki scale for the rest of the budget.

This being so, the Republic of Kazakhstan does not consider itself bound by any commitments resulting from paragraph 4 of the Permanent Council decision on a scale of contributions for large OSCE missions and projects.

We request that this statement be attached to the Journal of the day.”

Original: ENGLISH

**INTERPRETATIVE STATEMENT
UNDER PARAGRAPH 79 (CHAPTER 6) OF THE
FINAL RECOMMENDATIONS OF THE HELSINKI CONSULTATIONS**

By the Delegation of the United States:

“The United States would like to thank you for your energy, ability and leadership, which paved the way for all of us to adopt this decision on a new scale of contributions.

This is a difficult issue. Money issues always are. Your carefully crafted compromise shaped a consensus that has allowed us to make real progress and put the funding of our Organization on a firm foundation. Once again, thank you.

Like any compromise, today’s decision is not an ideal document. But by addressing the most essential concerns of delegations, it does provide us with a valuable asset: stability.

The new scale that will be in effect from 2002 until the end of 2004 gives all of us a sound and predictable basis on which to calculate our contributions to this Organization.

Under this compromise, my Government’s share of the scale will increase. In fact, it will rise more than that of any other participating State.

This was not an easy decision for my Government to make. It reflects our commitment to the work of this Organization, as well as our understanding that compromise was needed to achieve consensus and provide a stable source of funding for our work.

We recognize that other participating States also demonstrated a willingness to compromise, and we express our appreciation for their efforts as well.

The balanced approach set forth by the Chairmanship in this decision not only provides us with a new scale that will be in effect until the end of 2004, it also sets forth key elements for a future scale that will take effect in 2005.

These elements - which include the concept of capacity to pay, the political nature of the Organization, and a ceiling of 14 per cent on the contribution of any one participating State - also provide important elements of stability. While the individual shares under that future scale still have to be negotiated, these elements provide a framework that gives us a clearer idea of what the future scale will look like. It is our firm conviction that any future scale must fall within this framework.

Another important part of this decision is the application of the future scale to all OSCE missions and projects as of 2005. This is important for those delegations that seek a review of the Helsinki scale. My delegation is committed to retaining the Helsinki scale, but

can accept the idea of applying that scale principally to non-mission expenditures, under the terms set out in today's decision.

Mr. Chairman, your extensive consultations and skill have produced a balanced decision that places the financing of our Organization on a stable basis. We appreciate your efforts and fully support the decision taken by the Council today.

With respect to any statement by any delegation about not being bound by some provision of this decision on the basis of some principle, including "nothing is agreed until everything is agreed," I could not agree more. But this decision has now been agreed, and unless and until a change in this decision is agreed by all of us on the basis of consensus, it remains a commitment for us all.

I request that these remarks be attached to the Journal of the day as an interpretative statement."