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PERMANENT MISSION OF THE REPUBLIC OF ARMENIA TO THE OSCE

STATEMENT

**in Response to Presentation of 2021 Unified Budget Proposal
by Officer-in-Charge/Secretary General as delivered by Ambassador Armen
Papikyan, Permanent Representative of Armenia at the 1283rd Meeting of the
OSCE Permanent Council**

1 October 2020

Mr. Chairman,

We would like to thank Officer-in-Charge/Secretary-General for her presentation of the 2021 Unified Budget Proposal. Armenia will provide its detailed position and proposals during the upcoming UBP discussions at the ACMF, but today I would like to make some general and preliminary remarks on the matter.

As it is rightly noted in the document, it is clear that the COVID-19 pandemic will have a significant impact on programmatic activities in 2021 and it will also have lasting implications for many security challenges faced by the OSCE and its participating States. All of these should be duly taken into account and reflected also in the Unified Budget for the next year. Given the inevitable economic impact of the pandemic, especially for smaller OSCE participating States, fund managers must identify further, very serious efficiency gains and measures in order to keep the Unified Budget as close to zero nominal growth as possible. We should also bear in mind that since last year the OSCE participating States have not adopted any substantial decisions or new commitments, which would give the OSCE Executive Structures additional mandates and new taskings. Therefore, proposed activities should be carefully prioritized with a view to meeting the expectations of the participating States by delivering meaningful results within available resources.

Mr. Chairman,

The OSCE Unified Budget should be designed to reflect priorities and guidelines defined by participating States in all three dimensions. At the same time, it should be realistic and reflect the current security, political and economic realities in the OSCE region, also due to the COVID-19 pandemic. We also believe that more effective budgetary planning by the Secretariat can help make UB discussions more efficient and streamlined, thus avoiding lengthy negotiations and difficulties in approving the budget.

We took note that the most notable increases in the 2021 UBP, with a total of EUR 2.9 million (4.6%), are in the Secretariat and Institutions (65.2 million). We will very carefully study the proposed increases in terms of their justification and the real needs of the organization and the participating States. In particular, the increase (**153.8K/6.6%**) requested by OCEEA for additional activities in the areas of prevention of corruption, **connectivity through transport and trade facilitation**, as well as the environment-security nexus is, already at this first glance stage is unacceptable for my Delegation. In particular, we have to carefully assess how much the activities of the OCEEA in those areas have been in line with relevant decisions and taskings of the participating States, as well as to what extent they have been taking into account the whole spectrum of opinions of participating States and contributing to enhancing security and stability in the OSCE area.

We also took note that there were no proposed changes to the overall budget proposal of the PRCiO. In this context, we reaffirm our long-standing position that, being the only permanent OSCE presence in the region and dealing with the Nagorno-Karabakh conflict, as well as under the current circumstances of new aggression that we are operating now, that has flared up again with new, even greater intensity, the PRCiO needs to significantly strengthen its human, technical and operational capacities with a view to more effective implementation of its mandate and this should be duly reflected in the budget proposal for 2021.

On the Minsk Process. Armenia has been and remains a staunch supporter of the mandate and activities of the OSCE Minsk Group Co-Chairs aimed at assisting the parties to find a comprehensive, peaceful solution to the Nagorno-Karabakh conflict. Needless to say, Armenia fully supports the budget proposal of the Minsk Group Co-Chairs for 2021. We reiterate our call for their active engagement on the ground.

Mr. Chairman,

We have repeatedly expressed our concern about the current staff composition of the High-Level Planning Group. If anyone else in this room was uncertain in this regard, then I assume the latest developments are clearly demonstrating the well justified reasons of our position and, therefore, I will not repeat it. We believe that OSCE Chairmanships' responsible leadership is key in this regard. As to the budget proposal, we will not be in a position to agree with any increase of the HLPG's budget. Moreover, given the relatively low level of expenditure in 2019 (**193K out of about 250K**), the budget of the HLPG should be revised downward.

I thank you.