



STATEMENT BY NORWAY IN RESPONSE TO THE PRESENTATION BY THE
SECRETARY GENERAL OF THE 2008 UNIFIED BUDGET PROPOSAL

**As delivered by Ambassador Guttorm Vik to the Permanent Council, Vienna,
October 16, 2007**

Thank you, Mr. Chairman,

Norway joins other delegations in thanking the Secretary General for his informative presentation of the 2008 Unified Budget Proposal, focusing on the main budgetary trends, key policy issues and other important aspects of the proposal.

We are pleased to note that the Performance Based Programme Budgeting (PBPB) approach has been fully introduced and applied across all Funds in the 2008 Budget Proposal. We commend the Secretariat, the Institutions and the Field Operations for their work, and we look forward to the further development and perfection of this important tool.

As stated on earlier occasions, Norway's general point of view is that we need to secure the resources that are necessary to follow-up on the political decisions which have been taken by this Organization, i.e. collectively by all of us. In contrast to some previous speakers, I have noted that the Budget Proposal, despite additional taskings, operates with only a modest nominal increase of less than 3% in the total resource requirements compared to this year's Unified Budget. Thus, the proposal does not imply any real growth in the overall budget resources, and this should be borne in mind in the further discussions.

Norway has duly noted the proposed distribution of resources for the Secretariat and Institutions, as well as with regard to the Field Operations. The need for additional resources in some areas, as well as the scaling down of activities in some others, is well documented. We concur with the proposal for a stronger regional involvement of the OSCE in Central Asia, as well as in South Caucasus, by strengthening the activities of Field Operations in these regions. We also support the further development of OSCE activities in Eastern Europe. Although a decrease is foreseen with regard to the total resource requirements in South-Eastern Europe, the Organization still has substantial tasks to be completed by a number of these Field Operations. With regard to the Secretariat we have noted that, besides programmatic

proposals including assistance to participating States and support to field operations in a number of priority areas, a major part of the proposed budget increase is directly related to administrative factors.

The detailed discussions of the Budget Proposal will be conducted by the ACMF in the coming weeks. Let me, however, reiterate one point of particular importance to this delegation. We have noted that the local staff salary scales for a large number of Field Operations currently are below the agreed minimum of 80% of the UN salary scales, and that a realignment is needed. This underscores the need to find a permanent solution to the compensation policy for locally recruited staff in order to avoid similar situations occurring at regular intervals. In our view, the OSCE should take the step to fully align itself with the UN salary scales for locally recruited mission members.

In concluding, Mr. Chairman, Norway joins other delegations in emphasizing the need for a timely approval by the Permanent Council of the 2008 Budget in accordance with the approved procedures.

I thank you, Mr. Chairman.