

Canadian Delegation to the
Organization for Security & Cooperation
in Europe



Délégation du Canada auprès de
l'Organisation pour la sécurité et la coopération
en Europe

ENGLISH only

**DELEGATION OF CANADA TO THE OSCE
STATEMENT BY AMBASSADOR FREDERICKA GREGORY
ON THE PRESENTATION OF THE OSCE 2011 PROPOSED UNIFIED BUDGET
831ST MEETING OF THE PERMANENT COUNCIL
12 OCTOBER 2010**

Thank you Mr. Chairman,

First, let me thank the Secretary General, the Department of Management and Finance (DMF), the Department of Human Resources (DHR) and all fund managers for their work and efforts in submitting to Delegations the 2011 Unified Budget.

At a time when we have to manage real budget constraints or cuts back home, the OSCE should not be seen to be out of step. Real reductions and reallocations need to be made, and reflected, in OSCE requirements and funds budgets. Our expectation is that OSCE priorities and Budget will be prepared with the same level of rigor that we expect within our domestic systems.

In this context, we cannot justify to our governments that the OSCE would benefit from a 4% budgetary increase, from 150.8 to 156.1 Million Euro.

We do understand that there are some new or existing priority activities that must be funded appropriately. Taken individually, several of the proposed areas for resources increase we could agree to. However, funding must be accomplished through reallocations.

We cannot continue to simply add taskings or activities without scaling down or terminating others. We do not believe that everything is equally important, equally a priority. While we understand that it is participating States responsibility to decide upon which activities should be scaled down or terminated, we regret that for many funds, managers did not provide us with much needed options.

Canada has a standing policy of Zero Nominal Growth for the OSCE budget and it remains in force, especially without a rigorous exercise of prioritisation and reallocation first.

We are aware that at the Astana Summit, leaders could agree on some new initiative or activity and might agree to provide some new resources accordingly. However, this would not exempt the OSCE from conducting a rigorous reallocation exercise for the current range of existing OSCE activities within an envelope of 150.8 Million.

Finally, we would like to reiterate that the extraordinary funding that was provided last July, following the informal ministerial council, was exceptional and it was never agreed that this additional funding would constitute a permanent baseline budgetary increase.

We agreed to the exceptional measure on the basis that continued funding for key crisis response activities and to address a particularly critical salary situation, even if important and justified, would be accomplished through finding efficiencies and from reallocations from other funds. We hope that this will be respected.

The 2010 Budget agreed in December last year is the basis for negotiating the 2011 Budget.

We look forward to working constructively with the Lithuanian ACMF Chair to whom we wish the best for the challenging 2011 Budget negotiation exercise ahead.

Thank you Mr. Chairman.