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**ENGLISH** only

STATEMENT IN RESPONSE TO THE DECISION ON UNIFIED BUDGET FOR 2011
As delivered by Acting Representative of Norway Lars Løberg
to the Permanent Council, Vienna
23 December 2010

## Mr. Chairman,

Norway welcomes the decision on the Unified Budget for 2011.

We are grateful to the chairmanships for conducting the negotiations in an open and transparent atmosphere, taking due consideration to every legitimate proposal in a most including way. We would also like to commend the chairmanships and the member states for once again having been able to agree on a budget almost in time, thus, preventing all of us from an exhaustive new budget exercise in early 2011.

Having said this much, there are also certain changes made to the budget during the process that needs further comments and justifications. Norway has an understanding for the budgetary situation in member states heavily affected by the international economic crisis. However, we are also concerned about our common security, manifested in the co-operation in the OSCE.

It is our firm opinion that the OSCE makes a difference. It made a difference in Kirgizstan this summer. It makes a difference in Kosovo as well as other places on the Balkans. It makes a difference for national minorities all over the OSCE area and it makes a difference for human rights defenders and for journalists in jeopardy wherever that might happen.

## Mr. Chairman,

Norway has accepted the many cuts that have been done to the original proposals of the Fund Managers as presented in the Secretary General's proposal of September 24<sup>th</sup>. This we have done in due respect to the budgetary restraints of certain member states, not because we believe that any of the Fund Managers have deliberately inflated their proposals. On the contrary. We deemed the original proposal to be a solid, well funded budget. Thus, we gave our full support to the Secretary General's proposal. And we still firmly believe that the OSCE would have been better served with that proposal than with the current proposal.

The OSCE have for several consecutive years now lived under a zero nominal growth regime. Zero nominal growth is the equivalent of a decline in real value. Thus, cuts have been necessary and budgets have been trimmed. To do so is a sound process, however, the amounts of dead flesh that can be cut off without harming the core activities of the organization become less and less for each year of zero nominal growth procedures.

## Mr. Chairman,

The difference between the original proposal and the current one is less than 4 %. Obviously, 4 % cannot be the difference between something perfect and a complete disaster. And still, those few percentage points would have given the OSCE the ability to show muscles and to give priority in accordance with the Astana spirit. We have political agreements on the level of Heads of State and we have an obligation to fulfill our common goals and commitments. In order to do so we would have preferred to see the proposed budgets for the High Commissioner on National Minorities and for the Representative on Freedom of the Media to be accepted without changes. We cannot demand them to deliver still more and better products to us without giving them the tools and the resources with which they can deliver.

In conclusion. Mr. Chairman, we support the decision and we appreciate the fact that we have an agreement and a budget in place before the budget year starts. But we do also look forward to a budget process and a spirit where the real needs of the organization become more important than the needs to cut and to balance.

Thank you, Mr. Chairman