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**STATEMENT BY
THE DELEGATION OF DENMARK ON BEHALF OF THE MEMBER STATES OF
THE EUROPEAN UNION AND OTHER PARTICIPATING STATES
AT THE 1537th MEETING OF THE
OSCE PERMANENT COUNCIL**

9 October 2025

In response to the presentation of the 2026 Unified Budget Proposal

The following participating States have aligned themselves with this statement: Albania, Andorra, Bosnia and Herzegovina, Iceland, Liechtenstein, the Republic of Moldova, Montenegro, San Marino, Serbia and Ukraine.

The Member States of the European Union express their deep appreciation to you, Mr. Secretary General, for your presentation of the Unified Budget Proposal for 2026.

Our thanks also go to the Finnish delegation, in particular to Ms. Lotta Karlsson, who has spared no effort in trying to reach a compromise that preserves the essential components of the Organization and respects the principles of the Helsinki Final Act.

We extend a warm welcome to the Swiss delegation, in particular to Ms. Hanna Bodenmann, the new Chairperson of the Advisory Committee on Management and Finance, and wish them every success in the negotiations ahead.

We reiterate our strong and steadfast support for the OSCE's role in comprehensive security, in its three dimensions, and for all the Organization's institutions, missions and activities. While the European Union and its Member States contribute almost 60 per cent of the Unified Budget, we deplore the serious consequences of the absence of an adopted budget and an updated post table since January 2022 until the present day. We would also point out that there have been no reports on results since 2021. We therefore attach the utmost importance to the adoption of the Unified Budget for 2026.

We should especially like to underscore the decisive role of the activities of the autonomous institutions in helping the participating States to implement their OSCE commitments. In particular, the election observation activities undertaken by the Office for Democratic Institutions and Human Rights are of vital importance, in accordance with its mandate, and must be adequately funded.

We also recognize that the field operations can benefit from increases in their budget when justified by operational necessity, in order to preserve their integrity and allow their mandates and activities to be safeguarded.

This year, the Permanent Council has already been obliged to adopt a decision authorizing additional expenditure to avoid deficits in the budget of the Secretariat's Conference and Language Services programme. Regarding the anticipated deficits in the other structures, we have taken note of the draconian savings measures implemented by the Secretariat and remain committed to supporting a solution that would keep the Organization as a whole financially viable. This solution should be in line with the OSCE's principles and commitments and cover all structures – the Secretariat, the autonomous institutions and the field operations – in the three dimensions and throughout the entire OSCE area. In short, an OSCE “à la carte” is not acceptable.

We also take the opportunity here to mention an exceptional solution implemented after the closure in 2022 of the Organization's field operation in Ukraine, namely the Project Co-ordinator in Ukraine, as a result of Russia's war of aggression against that country. The Support Programme for Ukraine, established with extrabudgetary funds, has made it possible to maintain an OSCE presence on the ground. We welcome its activities in projects responding to the needs of the Ukrainian authorities and helping them to overcome the immense challenges as a result of this war, which has flouted the principles of the Helsinki Final Act with serious consequences for the stability of the entire area and the Organization as a whole.

Furthermore, we regret that consensus has not yet been reached on adopting the draft decisions on the Financial Report and Financial Statements for the years ended 31 December 2024, 31 December 2023 and 31 December 2022. The participating States that are against their adoption are citing grounds that have nothing to do with the purpose of those documents. These decisions are of a technical nature, and blocking them only makes it more difficult for the Secretariat and adversely affects the interests of all participating States. The blocking of these decisions is preventing the budget surplus from being returned to the participating States according to the modalities and timetable provided for in the Financial Regulation. This situation is unacceptable and the EU Member States call upon all the participating States to adopt the Financial Statements for the years 2022, 2023 and 2024 without delay.

We should also like to take the opportunity here of stressing the urgency of adopting the Unified Budget Proposal for 2025 by the Finnish Chairmanship-in-Office without delay. We commend the determined efforts of the Finnish Chairmanship to that end. Although we are concerned about the current and future impact of disproportionate increases between the Secretariat, in particular Conference and Language Services, and the autonomous institutions, this proposal would be a better outcome than the absence of an adopted budget since 2021. We reiterate that we are ready to join the consensus on this third 2025 budget proposal.

More generally, we call upon all participating States to act consistently with their commitments and to provide the Organization with adequate financial resources for implementing them, so as to allow the OSCE to function effectively in its three dimensions. We remain convinced that the adoption every year of a Unified Budget taking due account of the needs of the OSCE structures is vital for assuring the proper functioning of our Organization.

A sufficient budget is also the necessary basis for the reforms that are under way in the Organization, with the aim of further enhancing its effectiveness and efficiency. In that regard, we welcome the work already done and would be interested to hear what progress has been made. At the same time, we stress once again the urgent need to adopt revised Scales of Contributions, given that the current ones are completely outdated.

The initial proposal for the 2026 Unified Budget published by the Secretariat provides for a total of 161.2 million euros, an increase of 23 million euros (+16.6 per cent) in comparison with the last budget adopted in 2021. However, we note that on a like-for-like basis (that is, excluding the effects of the closure

of the Office of the Project Co-ordinator in Ukraine in 2022 and of the Minsk Process structures in 2025), the budget would increase by almost 29 million euros (+22 per cent).

We will address all budget proposals according to their merits and their actual added value. While we are aware of the rapid increase in costs and the resulting challenges for the Organization, we would nevertheless stress that, given the considerable national budgetary constraints, any increase must be duly justified. This is why a 22 per cent increase in the budget on a like-for-like basis already seems an unrealistic and inconsistent option in the light of the recent budget negotiations and the priorities set out by the participating States. In these circumstances, the draft budget for 2026 would benefit from being closer to the third version of the draft budget for 2025 presented by the Finnish Chairmanship.

We thank you, Mr. Secretary General, and all the Fund Managers for your commitment to the Organization and its field operations for a just and lasting peace in the OSCE area.

Thank you.