



JOINT STATEMENT ON THE REPORT OF THE EXTERNAL AUDITOR
AND THE ANNUAL REPORT OF THE AUDIT COMMITTEE

As delivered by Ambassador Anne-Kirsti Karlsen at the Permanent Council,
Vienna, 18 July 2024

Madam Chair,

I am making this statement in my national capacity, and also on behalf of Canada, Iceland, Liechtenstein, and Switzerland.

I would like to begin by thanking the External Auditor – the Austrian Court of Audit – for their detailed report, and their efforts this past year. We fully support the work carried out by the External Auditor, and regard it as essential to ensuring the good governance of this organization, and the efficient use of its resources.

We note the report's recommendation that an External Auditor be appointed at *all* times, and stress that we must always have an External Auditor in place. We expect all participating States to engage productively and proactively in future discussions on this issue, such that we may appoint an External Auditor, and protect the reputation of our organization.

We welcome the recommendations made in the External Auditor's report, particularly that which pertains to modifying Financial Regulation 3.02, allowing for greater flexibility in provisional transfers of funds between Main Programmes and Programmes in times when a budget is not approved.

Madam Chair,

We thank the Audit Committee for its annual report. We are particularly concerned by the account of the impact of the lack of a unified budget on the work of the Office of Internal Oversight. The Office of Internal Oversight requires proper human and financial resources to fulfil its tasks. This can only be achieved through the adoption of a unified budget.

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The lack of an approved unified budget is affecting all aspects of the OSCE's work. The reports of the External Auditor and the Office of Internal Oversight confirm this. This situation is unsustainable, and inexcusable. We underline, once again, the necessity of all participating States engaging productively in all financial and budgetary matters. And reaffirm our support to the Chairpersonship's efforts to adopt a budget, sooner rather than later.

Thank you, Madam Chair.