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**REPORT OF THE TREASURER
OF THE OSCE PARLIAMENTARY ASSEMBLY
TO THE STANDING COMMITTEE**

Mr. Peter Juel-Jensen

15 MAY 2020

REPORT OF THE TREASURER

Mr. Peter JUEL-JENSEN

OSCE PA STANDING COMMITTEE

COPENHAGEN, 15 MAY 2020

I am pleased to report to the Standing Committee that the finances of the OSCE Parliamentary Assembly continue to be in very good order. In accordance with our Rules of Procedure, I presented the audited accounts to the Standing Committee in Vienna last February. I was very satisfied that the Assembly received a positive assessment from our outside independent professional auditor once again. Our auditor continues to be satisfied with the financial procedures and accountability carried out in our Secretariat.

The OSCE Parliamentary Assembly's financial year 2018/2019 ended on 30 September. As I informed the Standing Committee in Vienna in February, we finalized the year on target and remained slightly below our approved budget.

In this context and given the high number of activities last year, I would like to commend the International Secretariat for the very efficient and cost-effective way they operate, despite the fact that our budget is much lower than the budgets of other similar international parliamentary organizations.

Our full institutional, budgetary and administrative autonomy and full independence from the OSCE structures makes us a flexible, efficient, reliable and responsive institution distanced from the budgetary problems faced yearly by the OSCE governmental side.

OSCE Parliamentary Assembly's Proposed Budget / 29th Financial Year (01 October 2020 – 30 September 2021)

Attached to this report you will find my proposal for the Assembly's budget for the next financial year (1 October 2020 – 30 September 2021). This proposal has been thoroughly prepared in these exceptional circumstances together with the Secretary General and his staff to reflect the minimum basic needs of the Assembly and was unanimously endorsed by the Bureau at its meeting of 27 April. As you can see, and following the practice initiated the last years, the proposed budget is very clearly outlined, and the various items clearly defined.

Due to the lockdown provoked by the measures to prevent the COVID-19 pandemic all the programmed activities of the Parliamentary Assembly – including statutory meetings, election observation missions, presidential and other activities - have been either cancelled or postponed since the second week of March 2020 and without concrete information at the moment regarding when they will be resumed.

Therefore, the budgeted amounts for such activities in our current budget as approved by the Standing Committee in Luxembourg in July 2019 will not be used.

It is therefore our proposal to freeze our budget and to accrue the above mentioned saved amounts and transfer them to next year's budget as an extra contribution from the OSCE PA International Secretariat to the OSCE PA overall budget thus automatically reducing the amounts of all national delegations that constitute the latter's contributions to the budget. Following a careful assessment of the OSCE PA finance team we expect to save a total of € 350,000 (three hundred and fifty thousand euros).

As novelties the proposed budget previews medical insurance coverage to all OSCE PA employees in Copenhagen and Vienna with CIGNA Global as well as provisions for a new electronic/online registration system for the Assembly's future statutory meetings.

You will find attached our proposal regarding all national contributions based on this proposal which as you can see are considerably reduced.

I believe this to be a fair, clear and honest way to help our Parliaments and our Assembly in the times of economic crisis which we will all be confronted with after the end of the current pandemic and I look forward to receiving your feedback and approval.

by 15 June 2020 following a Silence Procedure considering that the Standing Committee will not be in a position to meet in person at the now canceled Vancouver Annual Session. This is in full compliance with Rule 41, paragraph 2 of our Rules of Procedure, which was adopted to ensure that the Treasurer provides enough time for Members of the Standing Committee to study the proposed budget carefully before its adoption.

Additional Contributions

It is important that National Delegations contribute to support the Assembly. This can be done by:

1. Seconding personnel – we are very grateful to the Italian Government for their support in currently seconding three staff members (two in Copenhagen and one in Vienna); and to the German Government for seconding a staff member in Vienna.

2. Hosting the Assembly's Meetings and events.

3. Extra budgetary contributions for specific events: election observation and other seminars or conferences of interest to the OSCE PA and its Members.

4. Supporting of our Headquarters in Copenhagen and our Liaison Office in Vienna. We are most grateful to the parliament of Denmark and the Government of Austria

OSCE / OSCE PA Scales of Contribution

In accordance with Rule 41, Paragraph 4 of our Rules of Procedure national contributions to the budget of the Parliamentary Assembly shall be apportioned according to the formula used to divide the costs of the intergovernmental OSCE.

We all agree that the current scales of contribution to the OSCE and OSCE PA are neither rational nor balanced. A new system should be agreed upon and we hope that the OSCE's Advisory Committee on Management and Finance (ACMF) and the OSCE Permanent Council will in the near future reach consensus on a fairer formula than the present one. The OSCE PA is ready and willing to assist in this challenging process.

As we have discussed thoroughly in the Assembly and given the practical impossibility of amending the current OSCE PA Rules of Procedure to establish a new system for the Scales of Contribution in the PA we are committed to maintain the link between the Assembly and the Governmental side of the Organization regarding the apportioning of the total Budget. For our 2020 -2021 budget will therefore apply the current scales as approved by the OSCE Permanent Council Decision 1325 (11 April 2019).

Annexes:

- 1) OSCE PA /Current Budget / **28th Financial Year:** 1 October 2019 – 30 September 2020/
- 2) OSCE PA / Proposed Budget / **29th Financial Year:** 1 October 2020 – 30 September 2021/
- 3) OSCE PA / Draft (indicative) **List of Contributions 2020 / 2021** – based on proposed budget

Budget 2019/2020

Salaries And Staff Expenses	
Salaries	1,254,333.82
Termination indemnity accrual	139,295.02
Insurance: Health & Accident	75,000.00
Post Allowance / Adjustment / Cost Living	417,206.42
Dependent / Education Allowance	228,000.00
Pension Fund	210,663.94
Total Salaries and Staff Expenses	2,324,499.20

General Administrative Expenses	
Staff Recruitment/Removal Expenses	8,000.00
Cleaning/Maintenance	20,000.00
Training	5,000.00
Security	6,000.00
IT & Equipment	28,000.00
Office equipment/printing	20,000.00
Furniture/Small Fixed Assets	4,000.00
Postage/Freight	1,000.00
Telephone/Fax	30,000.00
Stationery/Supplies	16,000.00
Contacts with delegations	3,000.00
Periodicals, Subscriptions	2,000.00
Translation of Documents	3,000.00
Use and Maintenance of Cars	9,000.00
Depreciation	7,000.00
Insurance	13,000.00
Audit Fees / Accounting / Consulting	15,000.00
Legal Fees/Bank charges	5,000.00
Library - Documentation	1,000.00
Representation	2,000.00
Miscellaneous Gen. Adm. Exp.	4,000.00
Total General Administrative Expenses	202,000.00

STATUTORY MEETINGS

-- Annual Session	
Translation	92,000.00
Interpretation	106,000.00
External Staff	30,000.00
Staff Travel and Lodging	50,000.00
Assessment Visits	10,000.00
Equipment/Office Expenses	2,000.00
Reproduction/Printing	1,000.00
Events and Public Relations	8,000.00
Other operating Cost	6,000.00
Communications Costs	1,000.00
	306,000.00

-- Winter Meeting	
Staff Travel and Lodging	25,000.00
Office Expenses / Equipment	1,000.00
External Staff (Interpreters and Procedural Team)	13,000.00
Representation & Catering	3,000.00
Other operating cost	15,000.00
	57,000.00

-- Autumn Meeting	
Staff Travel and Lodging	20,000.00
Office Expenses / Equipment	1,000.00
External Staff (Interpreters)	28,000.00
Representation	1,000.00
Other operating cost	5,000.00
	55,000.00

-- Bureau Meetings and Ministerial Council	
Staff Travel and Lodging	16,000.00
Office Expenses / Equipment	1,000.00
External Staff (Interpreters)	20,000.00
Representation	1,000.00
Other operating cost	3,000.00
	41,000.00
Total Statutory Meetings	459,000.00

Research Assistant Programme and Junior Professional Officer Programme	
Subsistence/Lodging Research Assistant 4 Vienna 4 Copenhagen	124,000.00
Junior Professional Officer Programme	58,000.00
Insurance	8,000.00
Documentation/Research	3,000.00
Equipment/Office Costs	2,000.00
Electricity / cable TV / internet	5,000.00
Total Research Assistant Programme and Junior Professional Officer Programme	200,000.00

Vienna Liaison Office	
Office Rent	14,500.00
Representation Vienna	3,000.00
Events	2,000.00
Local transportation	1,000.00
Deposit/Bank charges/Fee	1,000.00
Electricity	1,000.00
Cleaning	6,000.00
Furniture/Equipment	1,500.00
Postage/Freight	500.00
Telephone/fax	7,500.00
Stationery/Supplies	3,000.00
Miscellaneous Office Expenses	1,500.00
Total Vienna Liaison Office	42,500.00

ACTIVITIES

-- Programmes and Missions	
Staff Travel and Lodging	36,000.00
Equipment/Office Expenses	2,000.00
External Staff	6,000.00
Other operating cost	3,000.00
	47,000.00

-- Presidential Support	
Staff Travel and Lodging	37,000.00
External Staff	5,000.00
Representation	5,000.00
Other operating cost	3,000.00
	50,000.00

-- Election Observation	
Staff Travel and Lodging	120,000.00
Conference Facilities	55,000.00
External Staff (Interpreters and Locally Recruited Staff)	45,000.00
Other Operating cost	5,000.00
Pre-electoral Visit and Needs Assessment Missions	30,000.00
Follow-up Missions	15,000.00
	270,000.00

Ad Hoc Committees	
Staff Travel and Lodging	20,000.00
External Staff (Interpreters and Locally Recruited Staff)	5,000.00
Other operating cost	5,000.00
	30,000.00

-- Publicity Expenses	
Press Releases/Brochures	3,000.00
Media Strategy	6,000.00
Social Media	4,000.00
P.R. Costs	5,000.00
	18,000.00

Total Activities	415,000.00
TOTAL OSCE PA BUDGET	3,642,999.20

Budget Proposal 2020/2021

Salaries And Staff Expenses	
Salaries	1,254,333.82
Termination indemnity accrual	139,295.02
Insurance: Health & Accident	110,000.00
Post Allowance / Adjustment / Cost Living	417,206.42
Dependent / Education Allowance	228,000.00
Pension Fund	210,663.94
Total Salaries and Staff Expenses	2,359,499.20

General Administrative Expenses	
Staff Recruitment/Removal Expenses	8,000.00
Cleaning/Maintenance	20,000.00
Training	5,000.00
Security	6,000.00
IT & Equipment	28,000.00
Office equipment/printing	18,880.00
Furniture/Small Fixed Assets	4,000.00
Postage/Freight	1,000.00
Telephone/Fax	30,000.00
Stationary/Supplies	16,000.00
Contacts with delegations	3,000.00
Periodicals, Subscriptions	2,000.00
Translation of Documents	3,000.00
Use and Maintenance of Cars	9,000.00
Depreciation	7,000.00
Insurance	13,000.00
Audit Fees / Accounting / Consulting	15,000.00
Legal Fees/Bank charges	5,000.00
Library - Documentation	1,000.00
Representation	2,000.00
Miscellaneous Gen. Adm. Exp.	4,000.00
Total General Administrative Expenses	200,880.00

STATUTORY MEETINGS

-- Annual Session	
Translation	90,000.00
Interpretation	106,000.00
External Staff	25,000.00
Staff Travel and Lodging	50,000.00
Assessment Visits	7,000.00
Equipment/Office Expenses	2,000.00
Reproduction/Printing	1,000.00
Events and Public Relations	8,000.00
Other operating Cost	3,000.00
Communications Costs	1,000.00
Online Registration System	1,120.00
	294,120.00

-- Winter Meeting	
Staff Travel and Lodging	25,000.00
Office Expenses / Equipment	1,000.00
External Staff (Interpreters and Procedural Team)	13,000.00
Representation & Catering	3,000.00
Other operating cost	13,880.00
Online Registration System	1,120.00
	57,000.00

-- Autumn Meeting	
Staff Travel and Lodging	20,000.00
Office Expenses / Equipment	1,000.00
External Staff (Interpreters)	28,000.00
Representation	1,000.00
Other operating cost	3,880.00
Online Registration System	1,120.00
	55,000.00

-- Bureau Meetings and Ministerial Council	
Staff Travel and Lodging	16,000.00
Office Expenses / Equipment	1,000.00
External Staff (Interpreters)	18,880.00
Representation	1,000.00
Other operating cost	3,000.00
Online Registration System	1,120.00
	41,000.00
Total Statutory Meetings	447,120.00

Research Assistant Programme and Junior Professional Officer Programme	
Subsistence/Lodging Research Assistant 4 Vienna 4 Copenhagen	124,000.00
Junior Professional Officer Programme	58,000.00
Insurance	8,000.00
Documentation/Research	3,000.00
Equipment/Office Costs	2,000.00
Electricity / cable TV / Internet	5,000.00
Total Research Assistant Programme and Junior Professional Officer Programme	200,000.00

Vienna Liaison Office	
Office Rent	14,500.00
Representation Vienna	3,000.00
Events	2,000.00
Local transportation	1,000.00
Deposit/Bank charges/Fee	1,000.00
Electricity	1,000.00
Cleaning	6,000.00
Furniture/Equipment	1,500.00
Postage/Freight	500.00
Telephone/fax	7,500.00
Stationary/Supplies	3,000.00
Miscellaneous Office Expenses	1,500.00
Total Vienna Liaison Office	42,500.00

ACTIVITIES

-- Programmes and Missions	
Staff Travel and Lodging	36,000.00
Equipment/Office Expenses	2,000.00
External Staff	6,000.00
Other operating cost	3,000.00
	47,000.00

-- Presidential Support	
Staff Travel and Lodging	35,000.00
External Staff	5,000.00
Representation	5,000.00
Other operating cost	3,000.00
	48,000.00

-- Election Observation	
Staff Travel and Lodging	120,000.00
Conference Facilities	55,000.00
External Staff (Interpreters and Locally Recruited Staff)	45,000.00
Other Operating cost	5,000.00
Pre-electoral Visit and Needs Assessment Missions	10,000.00
Follow-up Missions	10,500.00
Online Registration System	4,500.00
	250,000.00

Ad Hoc Committees	
Staff Travel and Lodging	20,000.00
External Staff (Interpreters and Locally Recruited Staff)	5,000.00
Other operating cost	5,000.00
	30,000.00

-- Publicity Expenses	
Press Releases/Brochures	3,000.00
Media Strategy	6,000.00
Social Media	4,000.00
P.R. Costs	5,000.00
	18,000.00

Total Activities	393,000.00
TOTAL OSCE PA BUDGET	3,642,999.20

OSCE PA Contributions 20- 21 Financial Year

<i>Country</i>	<i>Percent 2020/2021</i>	<i>2019/2020</i>	<i>2020 / 2021</i>	<i>OSCE PA Contribution</i>
Albania	0.125	€4,554	€4,116	€438
Andorra	0.125	€4,554	€4,116	€438
Armenia	0.050	€1,821	€1,646	€175
Austria	2.503	€91,184	€82,424	€8,760
Azerbaijan	0.050	€1,821	€1,646	€175
Belarus	0.280	€10,200	€9,220	€980
Belgium	3.229	€117,632	€106,331	€11,302
Bosnia and Herzegovina	0.125	€4,554	€4,116	€438
Bulgaria	0.546	€19,891	€17,980	€1,911
Canada	5.530	€201,469	€182,113	€19,356
Croatia	0.190	€6,922	€6,257	€665
Cyprus	0.189	€6,885	€6,224	€662
Czech Republic	0.570	€20,765	€18,770	€1,995
Denmark	2.094	€76,284	€68,955	€7,329
Estonia	0.189	€6,885	€6,224	€662
Finland	1.843	€67,140	€60,690	€6,451
France	9.364	€341,130	€308,356	€32,774
Georgia	0.050	€1,821	€1,646	€175
Germany	9.350	€340,620	€307,895	€32,725
Greece	0.978	€35,629	€32,206	€3,423
Holy See	0.125	€4,554	€4,116	€438
Hungary	0.598	€21,785	€19,692	€2,093
Iceland	0.190	€6,922	€6,257	€665
Ireland	0.750	€27,322	€24,697	€2,625
Italy	9.337	€340,147	€307,467	€32,680
Kazakhstan	0.360	€13,115	€11,855	€1,260
Kyrgyzstan	0.050	€1,821	€1,646	€175
Latvia	0.189	€6,885	€6,224	€662
Liechtenstein	0.125	€4,554	€4,116	€438
Lithuania	0.189	€6,885	€6,224	€662
Luxembourg	0.470	€17,122	€15,477	€1,645
Malta	0.125	€4,554	€4,116	€438
Moldova	0.050	€1,821	€1,646	€175
Monaco	0.125	€4,554	€4,116	€438
Mongolia	0.050	€1,821	€1,646	€175
Montenegro	0.050	€1,821	€1,646	€175
Netherlands	4.351	€158,507	€143,278	€15,229
North Macedonia	0.125	€4,554	€4,116	€438
Norway	2.050	€74,681	€67,506	€7,175
Poland	1.350	€49,180	€44,455	€4,725
Portugal	0.980	€35,701	€32,271	€3,430
Romania	0.600	€21,858	€19,758	€2,100
Russian Federation	6.000	€218,580	€197,580	€21,000
San Marino	0.125	€4,554	€4,116	€438
Serbia	0.140	€5,100	€4,610	€490
Slovakia	0.280	€10,200	€9,220	€980
Slovenia	0.219	€7,978	€7,212	€767
Spain	4.584	€166,995	€150,951	€16,044
Sweden	3.231	€117,705	€106,397	€11,309
Switzerland	2.810	€102,368	€92,533	€9,835
Tajikistan	0.050	€1,821	€1,646	€175
Turkey	1.010	€36,794	€33,259	€3,535
Turkmenistan	0.050	€1,821	€1,646	€175
Ukraine	0.680	€24,772	€22,392	€2,380
United Kingdom	9.350	€340,620	€307,895	€32,725
USA	11.500	€418,945	€378,695	€40,250
Uzbekistan	0.350	€12,750	€11,525	€1,225
Total	99.998	€3,642,999	€3,292,999	€350,000