



Opening Address by
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**“More Economic and Environmental
Cooperation for More Security in
Europe”**

22nd OSCE Economic and Environmental Forum

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Check against delivery

*Excellencies,
Ladies and Gentlemen,*

Good morning.

It is a pleasure and an honour for me to open the 22nd edition of the Economic and Environmental Forum.

On behalf of the OSCE, I would like to thank the Czech authorities – in particular Foreign Minister Lubomír Zaorálek – for the warm welcome and for hosting the OSCE in this magnificent palace, year after year.

A hallmark of the OSCE is its comprehensive security approach. The notion that cooperation in a broad range of issues is essential for enhancing security in Europe and rendering it indivisible goes back to the Helsinki Final Act.

Today, this notion is more relevant than ever. We need comprehensive measures to address the complex and often transnational security challenges in our globalized world. With its broad set of tools for preventing and resolving conflicts, the OSCE is well positioned to make relevant contributions in this regard.

There is of course still considerable room for improvement in order to enhance the organization's capacity to act. This holds true for all three dimensions of the OSCE's work – the politico-military dimension, the economic and environmental dimension, and the human dimension. Switzerland is committed to strengthening the role and clout of the OSCE, and we will pursue this goal beyond our Chairmanship year.

The economic and environmental dimension of the OSCE has traditionally been somewhat in the shadow of the other two dimensions. The Ukraine crisis with its economic underpinnings is a stark reminder of how important the economic aspects of security are – not just for the stability of Europe but also for the well-being of the people.

My main message to you today is that there is a strong case for making more use of the OSCE to strengthen cooperative security in the economic and environmental fields.

We, the participating States, should further engage in order to develop and reinforce the activities undertaken both by the Secretariat – in particular the Office of the Coordinator of Economic and Environmental Activities – and by the OSCE field operations in this area.

One specific field where the Swiss Chairmanship is promoting the logic of cooperation concerns the effective prevention and response to natural disasters. We are gathered here to discuss how we can best move forward in this field, and I will outline the Chairmanship's position on this in a minute.

But let me first elaborate on why we think there is a need for more economic and environmental cooperation in general.

The Helsinki Final Act made the case for developing cooperation in the fields of trade, industry, science and technology, the environment and other areas of economic activity as a means to reinforcing peace and security in Europe. Participating States also undertook to work towards the widest possible harmonization of international standards and technical regulations to that end.

Implementation work on these issues within the OSCE framework has remained limited to this day – more so in the economic field than in the environmental field, but much more could be done in both.

During the Cold War, the division of Europe was an obvious reason for the limited progress. A second reason is that economic and environmental issues have traditionally been predominantly addressed elsewhere.

This holds particularly true for the economic realm. The landscape of relevant international institutions speaks for itself: There are specialized organizations like the WTO and the OECD for questions concerning international trade and the international economic order. And there is the EU, which has been at the forefront of efforts to structure economic relations in Europe beyond its borders.

I am not suggesting that the OSCE should seek to pick up any of the functions of these organizations. The OSCE is a security organization – the world's largest regional security organization –, and it should stay that way.

But the fact is that there are economic border lines and frictions within the OSCE area that have contributed to the rapid decrease in security we have witnessed in Europe in the past few months. The OSCE as a pan-European organization could and should be a platform for addressing some of these problems and finding ways of mitigating them in cooperative ways.

Since the early 1990s, the EU and Russia have attempted to create a joint economic framework. There was a "Partnership and Co-operation Agreement". There was also the project of the "Common European Economic Space" that was jointly launched by Brussels and Moscow. There were ideas such as a free-trade zone from Vancouver to Vladivostok, an energy partnership and a pan-European transport infrastructure.

All these initiatives have failed to materialize. Today, we have two different integration schemes, the European Union and the Eurasian Union. These two schemes are difficult to reconcile in terms of standards and regulations. They have also come to stand in political competition to each other.

The lack of a stable pan-European economic order and the broader estrangement between Russia and the West over the past decade have contributed to the Ukrainian crisis and to the related crisis of European security. Conversely, the deteriorating security environment and the application of the political instrument of sanctions have had major negative *economic* effects – on everyone involved. The link between security and economics is manifold.

It is precisely at the interface of security and economics that the OSCE should play a bigger role.

How to render Ukraine a trade bridge rather than a trade frontier must be worked out in the ongoing trilateral talks between Ukraine, Russia, and the EU. But implementing any solution will likely require accompanying measures to rebuild confidence and assure verification of commitments through transparency and impartial monitoring and reporting. This is one area where the OSCE could play a role.

Applying traditional OSCE instruments such as confidence-building measures and monitoring to economic challenges may reflect out-of-the-box thinking at this stage. But such ideas are worth exploring. We may well conclude that building up such kinds of capacities within the economic and environmental dimension of the OSCE could make a vital contribution to strengthening pan-European security and stability.

Irrespective of whether and when such OSCE measures come into play, there is much scope for using the OSCE as a platform for dialogue on the economy-security nexus. The OSCE can contribute to efforts to return to shared perspectives on economic cooperation and build bridges between integration schemes. It can serve as a reference frame for the 57 participating States to identify ways of strengthening pan-European connectivity through cooperation, and this well beyond the economic field.

None of this will happen overnight. But it is time for a thorough discussion on these issues. The Ukraine crisis has demonstrated how important they are.

Concerning Ukraine, let me add here that I strongly welcome the ceasefire agreed by the parties in Minsk last Friday. The agreement marks a real opportunity to finally reverse the logic of escalation. The OSCE remains fully committed to helping de-escalate and resolve the crisis.

The Swiss Chairmanship has been involved in the efforts that led to this agreement from the outset through Ambassador Heidi Tagliavini who represents the CiO in the Trilateral Contact Group. It remains a priority for us to actively support dialogue aimed at sustaining the ceasefire and launching a political process in accordance with the Minsk protocol. In this context, we are also ready to facilitate and host any meeting between Ukraine and Russia at the presidential level.

A second current priority of the OSCE is to expand the Special Monitoring Mission and rapidly adapt it to the new monitoring needs arising from the ceasefire. More than 70 specialists are now in the Donetsk and Luhansk regions to monitor the ceasefire. Further monitors are being recruited and deployed as we speak.

The SMM has also established a clearing house mechanism among the parties to deal with reported violations of the ceasefire and other incidences. Moreover, discussions are underway on possibilities of integrating as soon as possible national drones as in-kind contributions by participating

States into the SMM monitoring scheme. OSCE-owned drones will also be deployed soon.

Finally, a third priority concerns the OSCE's assistance with the broader processes of reconciliation and reform in Ukraine. One major contribution the OSCE can make is to support inclusive political dialogue within Ukraine. Public debates on all issues relevant to bringing back peace and stability to Ukraine, including decentralization and reconstruction, will be an important way of rebuilding trust and fostering a sense of common purpose.

The Chairmanship has made all necessary preparations to nominate a Special Representative and provide mediation expertise in support of any such dialogue formats in Ukraine.

Ladies and gentlemen

The Ukraine crisis is a prime example of how important comprehensive security approaches are today. The OSCE has come to play an important role in this crisis not just as a platform for dialogue but also because of its broad set of tools for preventing and resolving conflicts.

By strengthening the economic and environmental dimension of the OSCE we will further strengthen the organization's comprehensive security approach. Progress is most likely to be made if we proceed on an incremental basis, topic by topic.

The Swiss Chairmanship – in the framework of our joint work plan with Serbia – has proposed that the focus this year be on cooperation in the context of natural disasters. The objective of this 22nd Economic and Environmental Forum is to promote an integrated disaster risk management approach in order to improve the resilience of population groups at risk in the OSCE region.

We have chosen this topic for three reasons.

First, we think the topic is relevant. Natural and man-made disasters impact everything: our planet, our health, our livelihoods. And they can happen anytime and anywhere. Changes in the earth's climate can have an impact in the form of extreme weather events, including worsening heat waves and droughts, increased flooding, and more severe storms. Such extreme events have a serious impact on development efforts, particularly in fragile states. But they also affect industrialized countries, where they can result in the loss of human life and material damages.

The OSCE region has seen a number of natural hazard triggered disasters lately. Russia and Greece had to fight large scale wild fires in 2010. In the USA, "Superstorm Sandy" was the deadliest and most destructive hurricane of the 2012 Atlantic hurricane season, as well as the second most costly hurricane in United States history. In Bosnia and Herzegovina, Croatia, and Serbia, the heaviest rainfalls in the past 120 years caused the worst flooding disaster in over a century in May this year.

Second, improving effectiveness in dealing with natural disasters will have a direct positive impact on our citizens. This is in line with the leitmotiv of our Chairmanship, which is to contribute to the creation of a security community for the benefit of everyone – rather than just for the benefit of states.

Third, managing disasters is a suitable topic for fostering cooperation. The challenges of natural hazard-triggered disasters can mobilize *people* to work together, and thus help build confidence beyond borders and despite conflicts.

The topic is also suitable for fostering cooperation between OSCE participating States east and west of Vienna. I am very pleased that the 2015 Serbian Chairmanship will continue our work in the field of disaster risk reduction, and more precisely in the field of water governance.

Moreover, the topic of disaster management concerns all three dimensions of the OSCE and is likely to spur cross-dimensional cooperation in the spirit of comprehensive security.

Within the OSCE, discussion on disaster risk reduction has been sporadic so far. Some work has been done on cooperating on disaster preparedness and response. Based on the discussions held in two preparatory meetings in Vienna and Montreux, the Chairmanship proposes building on this work and taking it further in three areas:

- disaster *prevention*,
- integrated disaster risk management, and
- cross-border co-operation.

Let me make a few observations on each of these areas in turn.

First, prevention is better than cure.

Major natural and man-made disasters often act as wake-up calls for decision makers. They generate a set of lessons learned that sometimes dramatically change public perceptions and national policies. Much suffering could be avoided if we did more on the *prevention* side. While natural hazards are inevitable, high mortality and large-scale destruction are not.

The benefit of shifting the paradigm from emergency response to a more proactive, integral, and systematic approach is broadly acknowledged. Yet moving from a culture of reaction towards one of prevention of natural hazard triggered disasters is a major political challenge involving different policy sectors and stakeholders at multiple governmental levels.

Particularly through its field operations, the OSCE is well placed to raise awareness of the importance of disaster prevention, to engage communities in preventive action, and to incorporate local knowledge into national contingency plans.

The second proposal of the Swiss Chairmanship is for the OSCE to adopt an integrated risk governance approach. As such, disaster risk governance will only be “integrated” and “comprehensive”:

- if there is political will from the respective governments;
- if it takes into account multiple hazards and their numerous interactions;
- if it encompasses all main stakeholders, including the private sector and civil society; and
- if it involves all levels of authorities: from national down to local governments.

Integrated disaster risk management should be an integral component of a comprehensive security perspective.

Reducing risks means increasing security and safety.

The OSCE has to offer added value in this regard as it brings in a security perspective in ways that other organizations do not. The OSCE should focus on this comparative strength while at the same time avoiding duplicating activities in areas where other institutions like the EU are better placed to lead efforts.

As a third point, the Swiss Chairmanship proposes strengthening cross-border cooperation. Natural hazard-triggered disasters, like other cross-cutting global risks such as cybercrime, often transcend national boundaries.

Collective prevention, preparedness, and response are indispensable.

The transboundary and global characteristics of disaster risks require cooperative efforts across borders both in their assessment and in their management. In particular we must be looking at the systemic linkages between the politico-military, socio-economic, financial, environmental, and transnational components of disasters.

One of the points often raised during the two preparatory meetings was that cooperation based on expertise and experience in the field of disaster risk reduction can have a positive impact on relations between states. Such cooperation can build trust. Technical cross-border cooperation in disaster risk management is a win-win situation for all parties involved and can be a powerful apolitical way to bolster trust among stakeholders.

Switzerland supports a number of projects to this end. One of these projects aims at “Restoring Ecosystems to Mitigate Floods and Improve Co-operation between Countries in Transboundary River Basins in Eastern Europe”. It includes practical work to mitigate floods through the restoration of ecosystems in the transboundary Dniester river basin shared by Moldova and Ukraine. It also promotes partnership and the sharing of expertise among Belarus, Moldova, and Ukraine.

Ladies and Gentlemen

The 22nd Economic and Environmental Forum comes at a crucial time as we engage in global efforts to define an ambitious post-2015 agenda on sustainable development. Reducing the risk for natural disasters increases our prospects for building the sustainable future we want.

To advance these efforts, we are also preparing for the Third World Conference on Disaster Risk Reduction in Sendai (Japan) next March to agree on a post-Hyogo Framework for Action agenda for disaster risk reduction. The new international agreement on climate change post-2020 will also become an important future instrument for climate change adaptation and disaster risk reduction.

The Swiss Chairmanship encourages OSCE participating States to demonstrate political leadership at the regional and the global level by bringing the comprehensive security approach into this global agenda and promoting the notion of integrated disaster risk management.

I welcome this morning's respective keynote speeches by UN Special Representative Margareta Wahlström and Professor Thomas Stocker. You are both most influential in shaping this global agenda, and the OSCE will greatly benefit from your insights.

Ladies and Gentlemen

For many years, the Prague Forum has served as an important platform to discuss current economic and environmental issues and to formulate recommendations to be considered at the Ministerial Council of the OSCE.

Let us be ambitious and work together on the road to Basel towards a strong commitment of the OSCE in the second dimension.

- Let us address disasters smartly, on the prevention side. Doing better in preventing natural and man-made disasters today will help us prevent tragedies tomorrow.

- Let us pursue an integrated disaster risk management approach. This will improve the resilience of our societies and thereby promote the peaceful co-existence of our states and communities.

- And let us facilitate cross-border engagement in addressing environmental challenges. This will contribute to building trust among the OSCE participating States – trust that is much needed today to reconsolidate European security as a common project across the OSCE area.