



Organization for Security and Co-operation in Europe

The Secretariat

**Co-ordinator of OSCE Economic and
Environmental Activities**

Prague, 21 May 2003

Eleventh OSCE Economic Forum Statement by the Co-ordinator of OSCE Economic and Environmental Activities Review of the Implementation of OSCE Commitments in the Economic and Environmental Dimension

Distinguished Chairman,

Your Excellencies
Distinguished Ambassadors,
Ladies and Gentlemen,

First of all I would like to thank the UN-ECE for their co-operation in the preparation of this Review session as well as for their constant support over the years for the OSCE Economic and Environmental Dimension. We are grateful for that and determined to maintain a close working relationship and to identify the most appropriate ways to expand our co-operation in the future. It also gives me particular pleasure to greet here Mr. Paulo Garonna, Deputy Executive Secretary of the UN-ECE, who will present the substantive and comprehensive contribution of his organization to our event.

OSCE works by commitments, but commitments are not a self-sufficient exercise. They are useless unless properly implemented. The review of the implementation of OSCE commitments is therefore a very important part of our meeting. Here and now, we are confronted with the results of our activities so far and we can assess both the positive and the non-satisfactory aspects of our work, so that we can improve our future activities. However, the process of reviewing the implementation of commitments in the Economic and Environmental Dimension of the OSCE has not yet achieved such depth and comprehensiveness as similar processes for other dimensions of security. This is evident if we compare the session of the Economic Forum dedicated each year to that purpose with the

Annual Implementation Assessment Meeting for the military dimension, or the two weeks long Implementation Review Meeting in the Human Dimension, organized by ODIHR.

My office gives its full support to the ongoing work on the new OSCE strategy document, led by the Chairmanship-in-Office, which aims at formulating additional recommendations and commitments, and at developing criteria for projects and improving our review sessions, with a view to strengthening and streamlining the OSCE Economic and Environmental Dimension.

The Chairmanship proposed to focus the review exercise for this year's Economic Forum on several relevant themes which are analysed at length in the excellent UNECE Report.

On my part, I would like to present the report of the activities of my office during the last 12 months, and our contribution in terms of providing advice and assistance on the implementation of commitments to those States who wanted it.

The Activity Report of the Office of the Co-ordinator of OSCE Economic and Environmental Activities, covering the period June 2002 – May 2003 was distributed last week in Vienna. It is available on the internet and also here, in your pigeon holes.

We have more than doubled our activities over the above mentioned period.

Following the recommendations of the Ninth OSCE Economic Forum on transparency and good governance, my office, in co-operation with the Romanian Government, organized a follow-up seminar on "Co-ordinating Regional Efforts to Increase Transparency and Facilitate Business", in Bucharest, in July 2002.

As one of the consequences of both the Ninth Economic Forum and the follow-up seminar, OCEEA is currently supervising the production of a booklet on best practices in combating corruption in OSCE countries. The booklet, which is intended to become a reference document on implementing anti-corruption measures, will present the best practices available in this area, as well as ways and means to prevent and combat corruption, with comments on enforcement and results and on policy implications and experiences.

In the economic area we are very active in assisting the development of Small and Medium-sized Enterprises, especially in countries where the economy was dominated by large companies and SMEs were not represented. The project of Youth Entrepreneurship Seminars (YES), was developed and implemented first in Bosnia and Herzegovina, in 2002. Its purpose is to promote the values, concepts and role of entrepreneurship in society, particularly to young people. Over 500 young people have participated so far in the first phase of the project. The programme is currently being adapted for Central Asia, where some activities have already been implemented. In addition, OCEEA has devised a replicable project for the development of entrepreneurship and SMEs in the South Caucasus (Armenia, Azerbaijan and Georgia) particularly targeting young people. The project is due to start in June 2003.

As mentioned yesterday, and on many other occasions, regional co-operation is of utmost importance. OCEEA provided support to the GUUAM countries for the implementation of the Free Trade Agreement signed in July 2002 and organized a working party meeting in Kyiv, in November 2002. The working party provided the opportunity to compare various experiences of free trade agreements and identified areas of technical assistance for the implementation of GUUAM-FTA. OCEEA was also of assistance in organizing study tours for leaders from newly emerging market economies, such as the study tour for Azeri government officials and businessmen to Austria and Hungary in January 2003, to support ongoing efforts to create business incubators and thus facilitate the development of SMEs in Azerbaijan.

Regarding transborder co-operation, OCEEA organized a visit of senior officials and experts from border regions of Central Asia to various bodies and co-operation projects in the three-country region of Germany, France, Switzerland, in October 2002. Participants observed the challenges and opportunities for the business environment in border regions and for co-operation at local level in fields such local administration, police, tourism, etc. These initiatives proved instrumental in the sharing of experiences among different OSCE regions and countries and could be pursued in the future.

Following last year's Economic Forum, in respect of alleviating water-related security risks and promoting dialogue and co-operation on sustainable water management, the OCEEA has provided technical assistance to the implementation of the International Framework

Agreement on the Sava River Basin, between Croatia, BiH, Serbia and Montenegro and Slovenia, and supported the process of elaborating the Dniestr Convention, between Moldova and Ukraine. Together with the UN-ECE, we are providing assistance to Kazakhstan and Kyrgyzstan in establishing a transboundary water commission on the Chu and Talas rivers.

Together with NATO we have developed a project on monitoring water resources in South Caucasus, covering the three countries in the region, Armenia, Azerbaijan and Georgia. The project, consisting of the parallel monitoring of water resources at 30 sites in each of the three countries involved, is designed to bring about a consistent application of international standards, to re-establish water monitoring systems and databases, and to increase local technical capabilities.

OCEEA will be involved in developing the Eastern Europe, Caucasus and Central Asia component of the EU Water Initiative, aimed at contributing to the implementation of integrated water resources management and water efficiency plans in the region by 2005, and halving the proportion of people who do not have access to safe drinking water by 2015.

In the field of the environment, in addition to projects related to single specific issues, OCEEA, in co-operation with the UNDP and UNEP, is engaged in the strategic mapping out of major environmental threats in South-Eastern Europe and Central Asia. Such maps with a clear description of the nature of the threat, the characteristics of any available assessments, a preliminary identification of actions needed, and an enumeration of involved and interested international parties, should help national and international bodies to set the agenda for the years to come in order to cope with the legacy of command economies, conflicts, negligence, or simply the lack of sufficient domestic resources in newly emerged states. Maps are identifying hot spots such as radioactive, chemical and biological hazards in Central Asia, the state and impact of water management in Central Asia, conflict legacies such as mines and population displacement in South Eastern Europe, and areas subject to flooding and landslides. A presentation on this project is envisaged during a special session later today. I invite you to attend this session, which will include a video-link with the Kyiv Ministerial Meeting “Environment for Europe”.

In the field of combating money laundering and financing of terrorism, which constituted the theme of a special session at the Economic Forum, OCEEA, in co-operation with UNODC, has prepared a replicable workshop aimed at the promotion of legal and administrative tools to combat these. Four National Workshops have already been implemented, with the respective host governments of Armenia, Azerbaijan, Kazakhstan and Kyrgyzstan. The workshops served to raise awareness on technical aspects of money laundering and the financing of terrorism and the need for the further development of legislation. As a next step in their joint approach, UNODC and OCEEA will target implementation assistance and capacity building, including specific training elements.

Close co-operation with the OSCE field missions constitutes an important part of the work of my office. The credit for the implementation of many activities and projects presented in the Activity Report, as well as for the development of others, goes to the economic and environmental field officers. The field officers also organized more than 100 important seminars, workshops, conferences and training activities. The field officers provide a tremendous source of knowledge, advice and expertise. Their co-operation is essential for the fulfilment of our mandate and for the implementation of the recommendations of past Economic Fora.

Many of the above mentioned activities and projects would have not been possible without the generous contribution of participating States. I want to use this opportunity to thank the Governments who supported our activities with voluntary financial contributions.

Over the last year, OCEEA also provided a substantial input to the work of the Economic and Environmental Sub-Committee. Out of 15 meetings of the Sub-Committee, 12 have taken place since the last Economic Forum. General themes, such as the review and updating of the Bonn Document, the project for drawing up a new strategy document, the objectives and challenges in the Economic and Environmental Dimension, or the modalities to increase the efficiency and effectiveness of the Economic Forum and the preparatory and follow-up processes, were approached within this framework. In addition, focused discussions were included on the agenda, regarding such issues as the possible initiation of a process of drawing up an OSCE Environmental Code of Conduct, disparities in economic development and security in the OSCE region, and the content and structure of the conference on

globalization. The Sub-Committee served not only as a forum for debates within the OSCE in Vienna, but also provided a link to other international organizations and the academic community.

Our office also strengthened its relationships with other OSCE institutions, not only by participating in their major meetings such as the Annual Session of the OSCE Parliamentary Assembly or the ODIHR Human Dimension Implementation Meeting, but also by working together in areas such as combating trafficking in human beings, fighting corruption, promoting gender equality or promoting small and medium sized enterprises.

Before concluding my remarks, I would like to draw your attention and invite you to the conference on globalization, which is due to take place in Vienna, on 3 and 4 July 2003. The purpose of this conference is to help participating States to define the role and place of the OSCE in international efforts to comprehend globalization in all its complexity and to respond to the challenges it poses.

Thank you.