



## **Organization for Security and Co-operation in Europe**

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

### **OCEEA Webinar**

**COVID 19's impact on connectivity and trade - Sustainable responses in the digital era  
Vienna, 10 June 2020**

### **Welcoming Remarks**

**Ambassador Vuk Žugić**

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

**Excellencies,**

**Dear Colleagues,**

**Ladies and Gentlemen,**

I am very pleased to welcome you to today's webinar focusing on sustainable responses to COVID 19's impact on connectivity and trade in the digital era.

As you know, the COVID-19's pandemic led to an unprecedented disruption of the global economy. The World Trade Organization forecasts that world trade will experience a decline between 13-32 percent in 2020 matched by severe damage to the economic wellbeing of people, companies and countries all around the globe. Although we have no certainty as to when this pandemic will end, policy makers have started to work on recovery plans and stimulus packages. Their deliberations on trade and economic connectivity will have a crucial impact on the future outlook of international economic relations.

International trade has been a massive driver of prosperity and has helped lift over a billion people out of poverty. According to the International Trade Center, today developing countries face nearly twice the logistics costs of developed countries. That's why a key pillar for sustainable growth is to multiply the benefits of trade facilitation.

As a multidimensional challenge transcending national borders, the recovery from the COVID-19 pandemic requires joint public-private actions and intergovernmental co-operation to improve the viability and resilience of cross-border movement of people, goods and services in a sustainable way. Transport connectivity, the quality of logistics services and border management all play growing roles as determinants of international trade flows. Trade facilitation in particular has been identified as a tool for increased trust and co-operation between countries.

Digitization and the increasing use of digital tools in the trade and transport sectors during the COVID-19 outbreak and in its aftermath, show us the importance of investing in digital infrastructure as a means to increase the resilience and sustainability of the supply chain.

Distinguished participants,

The strategic importance of connectivity has been recognised by all 57 participating and has been translated into in a number of Ministerial Council Decisions including the 2016 Hamburg Ministerial Council Decision on “Strengthening Good Governance and Promoting Connectivity” and the 2018 Milano Ministerial Council Declaration on the “Digital Economy as a Driver for Promoting Co-operation, Security and Growth”.

As part of its mandate, the OCEEA supports participating States in strengthening and complementing existing connectivity initiatives to make trade and transport more efficient, safe, and sustainable. For instance, in 2019 the OCEEA concluded a two-year extra-budgetary project “Promoting Economic Connectivity in the OSCE”. The project supported Belarus, Kazakhstan and Moldova in strengthening their institutional mechanisms and tools to improve coordination and implementation of trade facilitation reforms in compliance with the WTO Trade Facilitation Agreement and other relevant international standards related in particular to the freedom of transit and exchange of information between customs authorities. My Office is currently exploring further potential needs in this area in order to continue providing the most suitable support to the participating State. Last but not least, with the extra-budgetary project activities, my Office promotes green, smart and sustainable connectivity between the Caspian Sea ports and beyond, hence strengthening regional connectivity and green growth between Europe and Asia

Today’s webinar aims to contribute to the policy discussions on trade and connectivity in digital era providing us with an opportunity to hear about the implications of the pandemic for trade and connectivity from the public, private and international perspectives that our eminent speakers represent. We will explore innovative digital and sustainable solutions in international trade and freight, and identify further areas for common action towards sustainable responses to the security-related economic and social consequences of pandemics.

With this, I would like to thank you and look forward to hearing from our distinguished speakers.