



EUROPEAN UNION

**OSCE Permanent Council N° 1165
Vienna, 23 November 2017**

EU Statement in Response to the Report by the Co-ordinator of OSCE Economic and Environmental Activities, Amb. Vuk Žugić

The European Union warmly welcomes the coordinator of OSCE Economic and Environmental Activities, Amb. Vuk Žugić, to the Permanent Council for his first report in this forum in this function and thanks him for his report.

Mr. Coordinator, we have listened with interest to your report. The Economic and Environmental Dimension is an integral part of the OSCE's comprehensive approach to security. We are, therefore, in favour of strong OSCE engagement on this area.

We attach particular importance to your work on good economic and environmental governance and the fight against corruption, and appreciate that these topics remain among the priorities of your office's work. Continuity in the work on implementing our commitment in these areas, including the Hamburg Ministerial Council Decision on Strengthening Good Governance and Promoting Connectivity, is crucial. This will help ensure that our governments are more transparent, accountable, effective and efficient and that they promote sustainable economic development that is, at the same time, conducive for business and attracting investments.

On the economic side, we greatly appreciate your work on connectivity through transport and trade facilitation in line with the Ministerial Council Decision on Strengthening Good Governance and Promoting Connectivity.

Recent environmental disasters have once again illustrated the close link between environment and security. In this context we particularly appreciate your activities in the framework of the Environment and Security Initiative (ENVSEC),

which seeks to ensure coherence across global efforts on sustainable development, climate change and disaster risk reduction, most notably with the Paris Agreement and the 2030 Agenda for Sustainable Development.

We appreciate your work on the security implications of climate change, as well as the attention you continue to pay to transboundary water management and disaster risk reduction in support of participating States' endeavours in these areas. In this field, identifying possible sources of heightened risk and tension can help us act early to reduce those tensions; moreover, promoting cooperation between the most concerned actors can bring them together, generating a 'double dividend' of reducing the risk factor itself, and building confidence and trust between those most affected. Also the focus on energy security and sustainable energy is, in our view, of vital importance. Throughout all activities gender mainstreaming is key.

In order to strengthen the OSCE's mandate to address important challenges more effectively, we hope for the adoption of substantial Ministerial Council Decisions in the 2nd dimension in December. The tabled drafts on "Economic participation" and "Greening our economies and fostering our environmental cooperation" represent a clear added value and we are committed to continue working constructively on them in the coming weeks.

The discussions on the topics of the draft Ministerial Council Decisions have been thoroughly prepared throughout the year in various events, in close cooperation with the Austrian Chairmanship in Office. We thank you and your able team for the professional organisation of these events, including the EEF cycle and the EEDIM, and for the expert input provided by you, your office, and economic and environmental officers from OSCE field operations.

As expressed in more detail during the previous agenda item, we continue to attach importance to migration-related activities, including your work on migration governance and labour migration.

We support regional activities and consider close cooperation and coordination between the Office of the Coordinator and the OSCE field presences a priority. We attach great importance to their active involvement and feedback concerning second dimension activities and strongly support their participation in our

discussions here in Vienna. We also encourage the continued involvement of the private sector and of beneficiaries of OSCE activities in participating States in order to hear their direct assessment on 2nd dimension activities and to help identify best practices and possible improvements.

We welcome that both economic and environmental activities of your office are conducted in close cooperation and collaboration with other relevant specialised international actors such as the OECD, the UNECE and its Conventions, including Aarhus and Espoo, Aarhus Centres, and through the ENVSEC Initiative to ensure that OSCE activities add real value and to avoid the duplication of efforts. In this context and also with regard to measuring the actual positive impact of your activities, we would be interested to hear where you have, in your first 8 months in office, achieved improvements and where you still see challenges.

We would also be interested in your views of how best to strengthen further the dialogue between participating States on these important topics. Would you welcome, for instance, more voluntary reporting from participating States?

In conclusion, we thank you and your team for your valuable work and wish you every success.

The Candidate Countries the FORMER YUGOSLAV REPUBLIC OF MACEDONIA*, MONTENEGRO*, SERBIA* and ALBANIA*, the Country of the Stabilisation and Association Process and Potential Candidate BOSNIA and HERZEGOVINA, and the EFTA countries ICELAND, LIECHTENSTEIN and NORWAY, members of the European Economic Area, as well as UKRAINE, the REPUBLIC OF MOLDOVA, ARMENIA, GEORGIA, ANDORRA and SAN MARINO align themselves with this statement.

* The Former Yugoslav Republic of Macedonia, Montenegro, Serbia and Albania continue to be part of the Stabilisation and Association Process.