

Activity Report 2010-11

Office of the Co-ordinator of OSCE
Economic and Environmental Activities

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Dear reader,

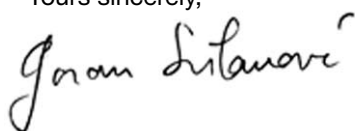
You are holding in your hands not only the latest edition of our Activity Report 2010–2011*, but also one with a new format. Our goal was to produce a clearer and more readable Report, with chapters that explain in a straightforward manner the subject matter at hand. We also wanted to illustrate that the work of the OSCE in the economic and environmental dimension is part of a process – a process that connects what has been achieved in the past with the present, which in turn prepares the ground for the future.

As for the recent past, the last twelve months have vividly displayed the centrality of economic and environmental issues for our lives and ultimately, our security. The OSCE region continues to suffer from the economic downturn, just like the rest of the world. Questions of energy security, unemployment, immigration and emigration, droughts and floods, corruption, and many other challenges remain high on the list of international concerns. The landmark OSCE Summit in Astana last December reaffirmed that the OSCE and its participating States are best placed to address such challenges, and it did more – it tasked us with further developing our co-operation, in particular with regard to energy security.

This Report reflects the diversity of issues we have taken on over the years, together with our international and local partners. Under the leadership of the 2010 Kazakh and this year's Lithuanian OSCE Chairmanship, my Office has continued to promote the political dialogue on the Second Dimension issues, while our Field Operations have worked hard to implement their mandate on the ground. We have continued to carry out the Ministerial Council decisions taken in 2009 on migration management, energy security, and transnational threats and challenges to security and stability. Following decisions taken by the Permanent Council, we have also restructured the Economic and Environmental Forum cycle, and introduced as a new element an Implementation Meeting, which is to take place from 17 to 19 October 2011 and could possibly be integrated into the cycle in future years.

As always, the success of our work – be it in the Secretariat or a remote field office – relies entirely on partnership. Without the support of the Chairmanship teams, the delegates to the Economic and Environmental Committee, our generous donors, Economic and Environmental Officers in the field and our partner organizations, none of this would have been possible. I am taking this opportunity to thank them all.

Yours sincerely,



Goran Svilanovic, Co-ordinator of
OSCE Economic and Environmental Activities



**Goran Svilanovic, Co-ordinator of
OSCE Economic and Environmental
Activities**

* The report covers activities implemented by the OCEEA and the OSCE Field Operations during the period June 2010 – May 2011 but also includes selected key activities conducted by the Co-ordinator's Office from June to September 2011, such as the Concluding Meeting of the 19th Forum in Prague.



The Forum and more

The years 2010 and 2011, inasmuch as the OSCE's work in the economic and environmental dimension is concerned, can be characterized by both continuity and progress. Continuity because they connected seamlessly with the results achieved in previous years, in areas as diverse as transportation, migration, energy security, or water issues. But also reform, since important decisions have been taken to streamline and strengthen the procedures and structure of the Second Dimension activities, including the introduction in 2011 of a new official gathering dedicated to the implementation process.

The 19th Economic and Environmental Forum

The theme of the 19th Economic and Environmental Forum is the "Promotion of common actions and co-operation in the OSCE area in the fields of development of sustainable energy and transport", as decided by the OSCE Permanent Council on 11 November 2010 (Decision 959). With this focus, the OSCE participating States took steps to pick up and carry on the work done in previous years. To name but a few, the decision built on the

- Border Security and Management Concept (2005);
- Ministerial Decision on future transport dialogue in the OSCE (2006);
- Ministerial Decision on energy security dialogue in the OSCE (2006);
- Ministerial Decision on follow-up to the 16th Economic and Environmental Forum on maritime and inland waterways co-operation (2008); and the
- Ministerial Decision on strengthening dialogue and co-operation on energy security in the OSCE area (2009).

The First Preparatory Meeting (7 and 8 February 2011, Vienna) focused on the first building block of the 2011 Forum theme, which is sustainable energy development. More than 200 participants attended the event, representing the business sector, academic

Main topics of the 19th Economic and Environmental Forum

- Dialogue on the promotion of sustainable transport, including integration of transport networks through reduction of barriers and simplification of border-crossing procedures; improvement of energy efficiency in transport area; and the role of clean technologies
- Dialogue on the promotion of sustainable energy, including new and renewable as well as traditional energy sources; good governance and transparency in the energy field; energy efficiency; low-carbon energy technologies; and fostering of multi-stakeholder dialogue and co-operation between energy producers, consumers and transit countries
- Regional and sub-regional co-operation on sustainable energy and transport, and sharing of best practices and exchange of experiences in these fields

community, civil society, the diplomatic community, and international organizations. They discussed energy challenges in the 21st century; energy efficiency and sustainable use of traditional and new energy sources; effective national policies for sustainable energy; good governance and transparency in the energy field; regional and sub-regional co-operation on sustainable energy in the OSCE area; and the role of the OSCE in promoting sustainable energy solutions.

The Second Preparatory Meeting (4 and 5 April 2011, Druskininkai, Lithuania) was devoted to finding

* For links to all mentioned documents see annex



The Co-ordinator of OSCE Economic and Environmental Activities and his staff with representatives of the Lithuania 2011 Chairmanship, the incoming Ireland 2012 Chairmanship, and Economic and Environmental Officers from the Organization's Field Operations

solutions for an improved and more sustainable transport network. This included discussions on the role of policies and of innovation and technology when it comes to environmentally friendly transportation choices; facilitation of international land transport through co-ordinated and simplified border crossing and customs procedures; new technologies and information exchange on these issues; and integrated transport networks in the OSCE area. Some 160 officials, civil society members, experts and country representatives participated in the event.

“In the energy sector – similarly to transport – the environmental challenge is enormous. The time to act is now. [...] The change will not come overnight and policy responses must be bold if the world is to get on the path to a sustainable future.”

Jan Kubiš

UN Under-Secretary-General and Executive Secretary,
UN Economic Commission for Europe, in an address to the
19th Economic and Environmental Forum, 14 to 16 September 2011

Wrapping it up: Prague

Building on the outcomes of the two preparatory meetings, the 2011 Forum cycle concluded between 14 and 16 September with the final meeting in Prague. The event traditionally gathers political representatives, members of key organizations and institutions, NGOs, academic researchers, and the private sector. It consolidates the analyses, proposals and ideas discussed during the preparatory process and elaborates a set of recommendations that outline the concrete next steps for the Organization.

The Prague Forum's agenda included the traditional session on the review of implementation of commitments, which this year focused on energy efficiency. The debates were supported by a report submitted by the UNECE, one of the OSCE's key partners in this field. This year, the event also included a follow-up session to the 16th Economic and Environmental Forum, which dealt with maritime co-operation in the OSCE area and its transport and environmental aspects.

In Prague, the Forum participants addressed the development of sustainable energy and transport. During the discussions and debates, energy security was identified as a central concern for the OSCE. In this regard, participants also agreed that the OSCE has a role to play in the promotion of energy efficiency and sustainability. Concerning sustainable transport,

attendants saw a need to measure the current state of affairs in order to better discern the role to be played by the OSCE and avoid overlap with other organizations.

Participants acknowledged the relevance of the OSCE as a platform for exchange of best practices, promotion of transparency and good governance, and facilitation of processes of co-operation at different levels (institutional, international, regional, sub-regional) and in different areas (public-private partnerships, codes of conduct, legislation, etc.) in both energy and transport fields. The definition and design of necessary policies, as well as the investment in innovation and technology, were pointed out as necessary steps to reach such sustainability.

The Committee

The Economic and Environmental Committee (EEC) gathers representatives of the 56 participating States on a regular basis to discuss issues related to the Second Dimension, including preparations and follow-up of the Economic and Environmental Forum, Summits, and Ministerial Meetings. This year, many EEC meetings have been devoted to core themes within the Second Dimension. These meetings have provided delegations with the opportunity to deepen their dialogue in different areas of the Economic and Environmental Dimension and to have access to expertise provided by partner organizations and officers from the field missions. Throughout the year, these meetings have proven to be a useful tool to enhance dynamism in dialogue.

The first thematic Committee meeting took place in March 2011. Representatives of OSCE participating States discussed the Organization's future priorities in the field of **good governance**, with a special focus on anti-corruption, anti-money laundering and combating terrorist financing. Officers from the field, experts from the OSCE Secretariat and relevant United Nations' agencies, such as the UN Office on Drugs and Crime (UNODC) and UN Commission on International Trade Law (UNCITRAL), gathered to discuss the current state of affairs, as well as possible steps forward and potential further co-operation among these organizations.

In May, the Committee turned its eyes to **energy security** and more specifically to the Report by the Secretary General "Concerning the Complementary Role in the Field of Energy Security" and to the

enhancement of the OSCE energy security dialogue, including on agreed principles of energy co-operation. The discussions were complemented by interventions by representatives of specialized institutions, such as the Energy Charter Secretariat and the Russian Energy Agency.

The next theme covered by the Committee was **migration**. In June, the Office of the Co-ordinator for Economic and Environmental Activities, together with its key partners in migration issues such as the International Organization for Migration and the International Agency for Source Country Information, presented on-going and planned common activities in this field as follow-up to the Athens Ministerial Decision on Migration Management.

One month later, the discussions during the Committee focused, among other issues, on the further implementation of the recommendation contained in the 2009 Chairmanship's Report on the **Future Orientation of the Second Dimension**.

Looking to enhance the cross-dimensionality of the Organization, the Committee, with input from the OSCE **Gender** Section, concentrated in September on the promotion of equal opportunities for women in the economic sphere.

A next thematic Committee meeting, dedicated to the security implications of **climate change**, will be held in November.

Changes...

On the same day as it adopted the 2011 Forum's theme, the OSCE Permanent Council passed another decision that introduced a change in the way how the Organization tackles, in a conference format, the economic and environmental issues on its agenda. The 2011 work cycle was amended and synchronized with that of the annually rotating OSCE Chairmanship. The Forum process is to be complemented by an all-new Economic and Environmental Dimension Implementation Meeting planned for the autumn. As is traditional, the overall work schedule of the current Chairmanship – Lithuania in 2011 – is to end in December with the OSCE Ministerial Council meeting that will also take into account the Organization's achievements under its economic and environmental mandate, the conclusions

and deliberations of both the 19th Forum process and of the October Economic and Environmental Dimension Implementation Meeting.

At the end of March 2011 the Permanent Council adopted another decision providing more details regarding the Economic and Environmental Dimension Implementation Meeting, to take place in Vienna from 17 to 19 October. Permanent Council decision 995 outlines the mandate of the Meeting, which should provide a framework for enhancing dialogue and co-operation on key thematic areas pertaining to the EED. In particular, it should:

- review the implementation of decisions and commitments;
- contribute to setting out future work;
- discuss aspects of regional and sub-regional co-operation;
- exchange experiences and best practices;
- strengthen co-operation with relevant international and regional organizations and institutions, as well as with the academic community and civil society;
- discuss the activities of the OCEEA and other OSCE structures, including through presentations of activities by the field operations;
- contribute to preparations for Ministerial Council meetings;
- improve interactions and co-ordination between OSCE delegations, the Organization's Secretariat, and economic and environmental officers working in field operations; and
- discuss outcomes and follow-up to the Economic and Environmental Forum.

As this is the first meeting of its kind, the Permanent Council will only decide at the end of 2011 whether similar Implementation Meetings will take place in the coming years. However, it is expected that the event will complement the entire process underlying the OSCE's Second Dimension work, and the discussions in Vienna will "benefit from cross-dimensional input provided by OSCE structures and by relevant meetings and deliberations in various other international organizations and forums," as Decision 995 puts it.

The 20th Economic and Environmental Forum

In 2012, the theme of the 20th Economic and Environmental Forum will be: "Promoting Security and Stability through Good Governance" (see Permanent Council decision of 22 July 2011 linked to in the annex). The agenda for the Forum will focus on the following topics:

- strengthening of the implementation of anti-money laundering and counter-terrorist financing mechanisms with a focus on risk assessment and international co-operation;
- promotion of good governance and transparency, including through the combating of corruption, particularly with a view to strengthening socio-economic development;
- contribution of civil society, the media and the private sector in support of good governance and initiatives to combat corruption.

The concluding meeting will be held from 12 to 14 September 2012 in Prague. It will be preceded by two preparatory meetings in February and April 2012, to be held in Vienna and Dublin, respectively.



Good governance

The Office of the Co-ordinator of OSCE Economic and Environmental Activities (OCEEA) has promoted good governance including combating corruption, money laundering and financing of terrorism since the Organization's early days, but over the years, a series of Ministerial and Permanent Council decisions have further emphasized the Co-ordinator's role in this area. In 2003, the OSCE Strategy Document for the Economic and Environmental Dimension, adopted in Maastricht, mandated the Organization explicitly to strengthen good governance, promote transparency and combat corruption. During the Corfu process kicked off in June 2009 – an initiative to push ahead the dialogue on European security – and the preparations leading up to the 2010 OSCE Summit in Astana, Kazakhstan, several participating States asked for an even stronger engagement on good governance by the OCEEA.

In the area of good governance, transparency and combating of corruption, the OCEEA's work focused on raising awareness of the commitments stipulated by the UN Convention against Corruption; provision of legal assistance in adapting national legislation to international anti-corruption commitments; offering of a platform for the exchange of best practices; organization of capacity-building and training events; and assisting States with establishing anti-corruption agencies and implementing anti-corruption strategies and actions plans. The work included both central and local government authorities, the business sector, and civil society.

In addition to the UN anti-corruption convention, there are also several other key instruments on anti-money laundering and combating the financing of terrorism. These include the:

- 40+9 Recommendations of the Financial Action Task Force;
- UN Convention for the Suppression of the Financing of Terrorism;
- UN Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances; and the
- European Union's Third Anti-Money Laundering Directive.

Together with international partners, the OCEEA has conducted a variety of activities to assist participating States in adopting and implementing these instruments. It has done so by raising awareness, conducting needs assessments, leveraging internal and external expertise in support of capacity building projects, seminars,

workshops and conferences, and the development of technical materials and training in the area of anti-money laundering and combating the financing of terrorism.

The OCEEA partners in these activities during the reporting period were UNODC; the Organisation for Economic Co-operation and Development (OECD); the World Bank; the Council of Europe; the Eurasian Group on Combating Money Laundering and Financing of Terrorism; and the Egmont Group of Financial Intelligence Units.

At a thematic meeting of the OSCE Economic and Environmental Committee (EEC) on 9 March 2011, the Co-ordinator's Office presented a paper to stimulate a debate among participating States on how the Organization's role in the fight against corruption, money laundering, and terrorist financing can be strengthened. The document looked, among other issues, at the work done in this area by the Office, and suggested to focus on activities where there is a clear added value and the results of its assistance can be better measured. Based on the recommendations of the paper, the Office has started to develop its future direction and activities.

To promote development of effective anti-corruption strategies in the OSCE participating States, the Office organized – together with the OECD's Anti-Corruption Network for Eastern Europe and Central Asia – an Expert Seminar on Anti-Corruption Policy and Integrity Training in Vilnius in March 2011. The participants, who came from the countries that form the Anti-Corruption

Network*, the European Union, and the USA, discussed how to develop and implement more effective anti-corruption strategies; how to measure the impact and success of implemented policy measures; and how to develop ethical competences in public service. The event was supported by the Lithuanian Chairmanship, Lithuania's Special Investigation Service, and the Chief Official Ethics Commission. One of the outcomes of the seminar was the decision by the OECD to develop a module for ethics training for public officials to which the OSCE has contributed.

In line with its focus on preventive measures, the Office joined a new initiative to improve public procurement regulations in the Commonwealth of Independent States and Mongolia, lead by the European Bank for Reconstruction and Development (EBRD) and the UNCITRAL. The initiative was launched in Astana in May 2011 and is expected to last for two years. It promotes the revised UNCITRAL model law on public procurement but is also sensitive to other legal standards that promote transparency, efficiency and good management. The OCEEA supports the project as a partner organization.

To further raise awareness of the importance of building a well-informed and engaged civil society in the fight against corruption and in support of Article 13 of UNCAC, the Office organized a roundtable meeting, entitled "On the road to Marrakesh: the role of civil society in fighting corruption", on 5 July in Vienna. The participants discussed the necessary legal and regulatory frameworks enabling the full engagement of civil society; issues surrounding access to information; the challenges and dangers faced by journalists who investigate and report on corruption cases, and the necessity to improve their protection. Two specific areas vulnerable to corruption were also discussed, namely public procurement and strategic natural resources. The round table concluded by emphasizing that fighting corruption is a shared responsibility and in order to be effective it requires co-operation and partnerships between governments, civil society and the business community. The meeting brought together some 100

* Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Croatia, Georgia, Kazakhstan, Kyrgyz Republic, Latvia, Lithuania, the Former Yugoslav Republic of Macedonia, Moldova, Montenegro, Romania, the Russian Federation, Serbia, Tajikistan, Ukraine, and Uzbekistan



The OSCE has supported Uzbekistan in its efforts to become a member of the Egmont Group.

participants from public institutions and civil society organizations from OSCE participating States and the Asian and Mediterranean Partners for Co-operation. A report was prepared by the OCEEA and is available on the OSCE website.

The Office continued its support to international co-operation in criminal matters that it has developed over the years with the OSCE's Strategic Police Matters Unit (SPMU) and the UNODC. A joint regional seminar on the issue was held between 11 and 13 July 2011 in Almaty, Kazakhstan. The Office managed the session on interagency and international co-operation in efforts to prevent money laundering. The event gathered law enforcement, judiciary and financial intelligence unit (FIU) representatives from Central Asian countries, Pakistan, Afghanistan, and the Islamic Republic of Iran. The seminar aimed to support international co-operation between countries most affected by the regional production and transport of opiates.

To support capacity building of financial intelligence units, the Office held together with the Egmont Group of Financial Intelligence Units a joint "FIU Development Workshop" on 14 and 15 July in Yerevan, Armenia, on the side-lines of the Egmont Plenary. The workshop gathered FIU representatives from Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan to exchange experiences, foster regional co-operation, and – for non-Egmont members Tajikistan and Turkmenistan – to learn more about the Egmont

Additional events supported or attended

2010

- June, Budva* The Co-ordinator and the Senior Economic Officer attended a regional conference in Montenegro that spotlighted the relationship at the municipal level between good governance, transparency, and ethics. The country's Ministry of Internal Affairs and Public Administration, the OSCE Mission, the Council of Europe, and the Union of Municipalities organized the event.
- June, Paris* As part of the OECD's new Central Asia Initiative of the Eurasia Competitiveness Programme – which the OSCE helped launch in Berlin in November 2008 – an international conference looked at ways how to support policies for competitiveness in that region. High-level officials from all five Central Asian participating States, as well as Afghanistan and Mongolia, participated. On the margins of the conference, OSCE officials talked with representatives of the OECD's Directorate for Financial and Enterprise Affairs and the Financial Action Task Force about co-operation on anti-corruption and anti-money laundering activities.
- September, Brussels* The OCEEA participated in the first meeting of the European Commission's Eastern Partnership Platform I Panel, which focused on the fight against corruption. Since the Office contributed to the development of the work programme, it also participated in the November panel meeting in Warsaw.
- September, Dubrovnik* Together with the Council of Europe and the United Nations Development Programme (UNDP) the Co-ordinator's Office organized a cross-regional conference on inter-municipal co-operation in Croatia.
- October, Brussels* At a meeting of the World Customs Organization (WCO) Integrity Sub-Committee, the Office gave a presentation on the role of the OSCE in promoting integrity in customs and border services. The event also served as an opportunity to meet WCO officials and discuss joint follow-up activities.
- November, Ashgabat* The OCEEA's Senior Economic Officer participated in a joint OSCE-UNODC workshop that focused on the adoption and implementation of the UN Convention against Corruption in national legislation, and gave a presentation on the latest good governance and anti-corruption issues discussed by the OSCE.
- November, Vienna* The UNODC held a meeting on cash couriers, at which the Co-ordinator's Office gave an update on the Organization's work in the field of countering money laundering and terrorist financing.

2011

- March, Sarajevo* The Network of Associations of Local Authorities of South East Europe (NALAS) organized a large international fair in Bosnia and Herzegovina in spring 2011. The event attracted more than 200 mayors, 2,000 municipal officials, and a large number of representatives of European institutions and civil society organizations. At one of the panel discussions, entitled "Local Governments Lead the Sustainable Development in South Eastern Europe," the Co-ordinator gave a presentation on the OSCE's role in promoting good governance and energy efficiency.
- June, Belgrade* The OCEEA participated in a UN workshop on countering the financing of terrorism held for South-Eastern European countries. During a session on investigative techniques, the Office provided an intervention on the availability of relevant information in open sources.

accession process from the Egmont Secretariat and FIU members. The workshop saw the active engagement of the participants, who subsequently expressed a desire for additional co-operation with the OSCE on both national and regional AML/CFT initiatives.

The Office also assisted FIUs from Eastern Europe and the Baltic States by organizing a “Regional Round Table on Strengthening the Co-operation between Financial Intelligence Units, Supervisors, Reporting Entities and Law Enforcement Agencies in the Fight against the Laundering of Illegal Proceeds of Crime Through the use of New Payment Methods (NPM)” on 8 September in Kyiv, Ukraine. The event was held jointly with the State Financial Monitoring Agency of Ukraine and with the support of the SPMU. The round table gave the participants an opportunity to share good practices and expertise on tracking and tracing of suspicious, criminal transactions through the use of NPMs. The event concluded by identifying a number of remaining challenges in adopting and fully implementing appropriate national legislation and regulatory frameworks to counter the laundering of the proceeds of crime through NPMs and by recommending further action at the national and regional level.

To address the countering of financing of terrorism, the Office has worked with the OSCE’s Action against Terrorism Unit by, among others, supporting their “Workshop on Public-Private Partnerships on Enhancing Tourism Security” on 8 September 2011.

To keep abreast with the latest developments related to combating corruption, money laundering and financing of terrorism in the OSCE region, the Office regularly participated in the relevant UNODC and UNCAC-related meetings, the Meetings of the OECD Anti-Corruption Network for Eastern Europe and Central Asia (ACN), the Plenary Meetings of the Council of Europe’s Committee of Experts on the Evaluation of Anti-Money Laundering Measures and Financing of Terrorism (MONEYVAL) and the Eurasian Group on Combating Money Laundering and Terrorist Financing (EAG).

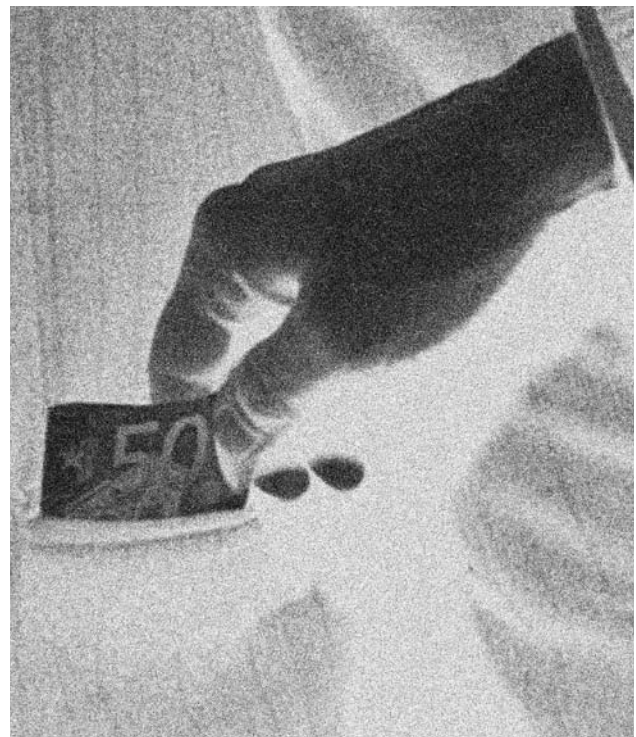
On the ground, the OSCE’s Field Operations have implemented a great variety of good governance

activities. Training seminars were held, civil society networks created, media awareness-campaigns organized, legal assistance given and standards introduced. Across the OSCE region, new ideas have sprung up to help stamp out corrupt practices, quell money laundering, step up action against terrorist financing, and strengthen transparency and accountability.

***Being part of the solution:
fighting corruption***

In Serbia, the OSCE Mission has helped draft new legislation that provides for a more transparent, accountable and enforceable system of financing political parties, a key requirement to prevent corrupt practices taking hold of the political arena. The Mission organized a presentation of the bill for Members of Parliament, government officials and representatives of non-governmental organizations (NGOs), which lead to some improvements of the text. The bill was finally given a positive review by the Council of Europe, European Union, and the Warsaw-based OSCE Office for Democratic Institutions and Human Rights. The National Assembly passed it into law this June. The Mission has followed up with on-the-job training for officials of Serbia’s anti-corruption agency, the main body controlling the implementation of the law.

For Serbia to become an EU candidate, it has to tackle the reform of its public procurement system. The OSCE Mission supported this process, which relies on a



* Anti-Money Laundering / Countering Financing of Terrorism



Anti-corruption helpdesk at the customs building in Akzhol, Kyrgyzstan

standardized and internationally harmonized training programme, by supplying candidates for posts in this system with a manual for certification. Since December 2010, when the certification process got underway, nearly 530 officers have passed the required exams.

In Albania, the Presence has supported efforts by the country's High Inspectorate for the Declaration and Audit of Assets, a body overseeing the fight against corruption and economic crime. It ran a project that helped the Inspectorate improve its communication with the wider public, an important factor since tackling corruption cases successfully depends considerably on the population's support. The Presence worked with the Inspectorate in training hundreds of government officials on their obligations under conflict of interest legislation. To help with the asset declaration of public officials, a project has been proposed to establish an online declaration system that will streamline the clearance process.

Last December, the Presence started a media anti-corruption awareness-raising campaign, encouraging citizens to help with exposing corruption via confidential hotlines and other "whistle-blower" methods. The project included training for civil society and government officials in four Albanian cities, who were taught how to network more efficiently and become more engaged with state anti-corruption mechanisms, as well as a study tour for the High Inspectorate to its counterpart organization in Latvia.

Another project, which ran from November 2009 to May 2011, targeted NGOs in five Albanian towns, training them how to take on a more active role in advocating good governance principles in local government. At a series of round table meetings and workshops, the participants were encouraged to monitor government activities with a view on reducing corruption through demands for more transparency. The initiative culminated in the establishment of a local civil society network on anti-corruption issues, and the introduction of a public information office that gives room for interaction between government and citizens.

The OSCE Office in Baku, Azerbaijan, concentrates its projects on providing legal advice to entrepreneurs. In 2010, it opened two Legal Advice Centres for small and medium-sized enterprises in the country. The Centres, which are operated by the Public Union on Human Rights Education, help with legal questions regarding the registration and operation of private businesses, and provide advice on how to obtain access to the judicial system when encountering corruption cases. This includes information on tax duties, registration of legal entities, labour relations and license requirements, as well as procedures to lodge appeals against administrative decisions.

The Central Asian countries equally continued to push ahead with anti-corruption projects. The OSCE Office in Tajikistan established a new Good Governance Unit, with a mandate to develop tools and policy recommendations for the prevention of corruption. Its main partners are the Agency for State Financial Control and the Struggle against Corruption; the President's Executive Office; Parliament; and Tajik civil society organizations. Under the Istanbul Anti-Corruption Action Plan, the Office advises senior policy makers on international anti-corruption best practices and supports the development of specialized corruption prevention tools, especially an anti-corruption law screening system.

In 2010, the Centre in Bishkek, Kyrgyzstan, helped the local Anti-Corruption Business Council set up a hotline at the international airport in Bishkek and at the main border crossing between Kyrgyzstan and Kazakhstan, Akzhol-Kordai. Hundreds of people have enquired to clarify issues regarding the crossing of borders, or

reported about difficulties with border authorities. The Council regularly discusses such complaints with the relevant state institutions and tries to remove any problematic practices at checkpoints.

Several seminars and workshops were held by the OSCE in Kazakhstan and Turkmenistan to convey to participants the principles behind effective anti-corruption work, including what instruments and practices can be applied. In Shymkent, Aktau and Ust-Kamenogorsk, Kazakhstan, the seminars targeted NGO representatives and journalists who learned how to tackle money laundering and terrorist financing. These courses were developed together with Kazakhstan's financial police, the NGO Transparency Kazakhstan, and the Friedrich Ebert Foundation. A workshop in Turkmenistan focused on the implementation of the UN Convention against Corruption, and was attended by representatives from the General Prosecutor's office; Parliament; several government ministries; the tax service; and the country's law enforcement agencies.

"Petty" corruption is the focus of an OSCE project in Kazakhstan, through which the Centre tries to foster a culture of non-corruption among pupils and young students. The initiative's goal is to increase the participation of civil society in fighting especially low-level corrupt practices that affect people in their day-to-day lives. Among the project tasks is the creation of an educational tool kit for secondary school teachers to raise legal awareness and introduce an anti-corruption culture among young people. The Centre is implementing the project together with the Kazakh Government, the Soros Foundation, and the NGO, Ar.Rukh.Khak.

Financial crime and terrorism: cutting the link

The work on anti-money laundering issues and countering the financing of terrorism is so closely related that it is generally broadly referred to with its acronym: AML/CFT. Across the globe, many agencies, institutions and groups are dealing with the issue, one of which is the Egmont Group, an international assembly of financial intelligence units (FIU), the agencies responsible for dealing with most aspects of financial information in a country.



Attendees at an OSCE seminar on anti-terrorist financing for financial institutions held in Serbia

Since 2009, the OSCE Project Co-ordinator in Uzbekistan has run a comprehensive programme to help improve the anti-money laundering structures of the country. This includes for instance the FIU within the office of the Uzbek Prosecutor General, and the Central Bank. Part of the initiative was to modernize the respective legislation and train AML/CFT compliance officers, both within the banking system and the non-banking financial institutions. In view of the Uzbek FIU's aspirations to become a full member of the Egmont Group, the Project Co-ordinator organized an assessment mission for the Russian and Serbian FIUs, which sponsored Uzbekistan's application. In July 2011, the Egmont Group accepted the FIU of Uzbekistan as a full member.

Azerbaijan has made considerable progress in the same area. With support from the OSCE Office in Baku, it amended its legal framework and established a financial intelligence unit within the Central Bank. The Office organized a series of workshops for officials from the banking sector, together with the Central Bank and the Financial Monitoring Service. Topics ranged from the regulations for suspicious transaction reports to risk management and data analysis methodology. As a result of all these efforts, the Financial Action Task Force, an inter-governmental body overseeing efforts in the field of anti-money laundering and terrorism financing, removed Azerbaijan from its monitoring process last year.

Last February, the OSCE Office and its partners organized an international conference on AML/CFT for officials from more than 20 countries. The event

functioned as a regional platform to exchange expertise and best practices on workflows, information technology, and other tools used in the combat against money laundering and terrorist financing. Government officials, financial specialists and experts in the field were the main participants. The OSCE arranged the conference together with Azerbaijan's Financial Monitoring Service, the United States Agency for International Development (USAID), and the Swiss State Secretariat for Economic Affairs.

Similar information-sharing events were held in Serbia, where the OSCE Mission organized several training seminars on financial crime and terrorist financing for bank officials and public prosecutors.

In September 2010, compliance officers from all banks operating in Serbia were invited to a workshop on internal risk assessments. The Mission brought together leading anti-money laundering experts from the global financial sector, prosecutors, and police investigators to give the participants the tools to identify suspicious activities that may be tell-tale signs of financial crime. They assisted the bank officials with developing internal control mechanisms to identify suspicious and unusual activity, and report them on time to the authorities. At the margins of the event, the Mission also brokered a meeting between the Netherlands and Serbian FIUs, which led to a Memorandum of Understanding that significantly improved co-operation between the two institutions on on-going investigations of financial crime.

Later in 2010, the Mission, together with the Serbian Financial Intelligence Unit and Bankers' Association, organized a workshop for bank officials, Western Union agents, and representatives of Serbia's postal communications agency. It invited an official from the United States Department of Justice's National Security Division who briefed the seminar participants about best practices in prosecuting terrorism financing.

This March, some 30 Serbian prosecutors took part in a training course that was aimed at strengthening their skills in fighting financial crime and preparing them for the implementation of Serbia's newly amended Criminal Procedure Code. The course conveyed to the participants such practical matters as gathering and

analysing financial data related to money laundering, corruption or other financial crime. The list of participants comprised experts from the FIU of Serbia's Finance Ministry; the Interior Ministry's Financial Investigation Unit; the National Bank; the Organized Crime Special Prosecutor's Office; and a certified forensic accountant, as well as a bankruptcy expert.

Good governance: entrepreneurs, judges and the public sector

In Uzbekistan, a growing number of entrepreneurs have been turning to arbitration courts to solve economic and trade-related conflicts. This is a direct result of the passing of a law on such courts in 2007. Government, business, and international organizations have welcomed the establishment of arbitration courts in the country, particularly since they have the characteristic of solving cases more efficiently, flexibly and cheaper than regular trials. Recognizing though that more capacity building and awareness raising was needed, the OSCE Project Co-ordinator partnered with Uzbekistan's Association of Arbitration Courts in 2010 and kicked off a series of seminars to train arbitration judges from all over the country. The project continued into 2011 and also included the delivery of computer equipment to local courts.



Training of arbitration court judges in Uzbekistan

To evaluate the impact of new legislation on Uzbekistan's economy, and obtain enough information to adapt and improve it, the concept of Regular Impact Assessments has gradually been introduced to the country's ministries of justice, economy and finance. A working group has been tasked with providing empirical data to help clarify

the various options of decision-making and identify how the concept can most usefully be implemented in Uzbekistan. The OSCE Project Co-ordinator has been supporting this process, by organizing – among other initiatives – a study tour for Uzbek regulators during which they learned how to conduct high-quality impact assessments and received information about best practices regarding data collection. A conference in February 2011 addressed such issues as consultation of interested parties; plain-language drafting; and electronic dissemination.



Attendees at an e-Governance conference organized by the OSCE Project Co-ordinator in Ukraine in April 2011

In Bosnia and Herzegovina, the OSCE Mission has since 2009 implemented its “Local First” initiative, which is designed to strengthen the engagement of the country’s citizens with its municipalities. One element of the programme is the Municipal Management and Accountability component, which the Mission is implementing in 14 municipalities of Bosnia and Herzegovina. It aims at improving the quality of local governance and ensuring an equitable, transparent and accountable allocation of public goods and services.

In the last months, the Mission has helped establish operational budget and finance commissions in 12 municipalities, operating under municipal assemblies

and councils; improved the transparency of the budget process in eight municipalities; and embarked upon standardizing the reporting of executives and budget users in a further seven municipalities. All this has improved the oversight capacities of the local authorities, and increased transparency and accountability. Since the process was built on a participatory approach, nine municipalities developed their own long-term development strategies.

A range of projects in Ukraine developed by the OSCE Project Co-ordinator has brought considerable progress for good governance and transparency. Since 2009, the Co-ordinator’s Office has provided customized IT-solutions to the regional authorities of Dnipropetrovsk, to assist with simplifying bureaucratic procedures, deregulating entrepreneurial activities, and providing unhindered access to public information. Services such as subsidies, pensions, and childcare, have been transferred to digital format. These steps increased transparency through modern digital technology and have considerably contributed to undermining corruption. In April 2011, the Co-ordinator’s Office followed up on this success with an e-Governance conference that also looked at a set of new proposals to modify the existing legal framework in light of the new digital possibilities.

Fairness and rule of law

Since 2010, municipal funding for civil society projects has come under increased scrutiny in Bosnia and Herzegovina. A research initiated by the OSCE Mission indicated gross imbalances in the distribution of funds. For instance, more than 70 per cent of the money reserved for civil society organizations goes to war-related associations, sports clubs and cultural and religious organizations. The survey also showed that formal criteria were often ignored and public tenders did not always take place. Finally, it also documented that political and personal considerations had considerable influence over the decision-making, and commissions selecting appropriate projects did not always include enough civil society representatives. The Mission is using this data to develop a citizens’ watchdog project and shares it with local civic organizations to better support their advocacy for more transparent and even-handed distribution of municipal funds.

The education sector plays a central role when it comes to introducing and maintaining good governance and rule of law principles. This is particularly true for Bosnia and Herzegovina, where discriminatory practices and ethnic segregation still present a considerable challenge in some parts of the country. The OSCE Mission's primary objective in that field is to promote political and legislative changes, which prepare the ground for an education system that is accessible and effective for all citizens. To implement this, the Mission works with education inspectors, who are the first control mechanism in case of a violation, misinterpretation, or non-application of the law.

In the last year, the Mission has continued to help these inspectors with professional development and through a regional network. It also has worked with the responsible authorities in advocating for a greater push in implementing the reform process of the education system. In several cantons – Una-Sana, Herzegovina-Neretva, Sarajevo, Republika Srpska, and West Herzegovina – the Mission has partnered with the respective ministries of education to develop a school board training programme based on good governance principles. Between June 2010 and May 2011, the Mission trained some 80 school secretaries in Republika Srpska as school board trainers. Additionally, it ran a project under which more than 120 school directors from the entire country were coached on strategic planning and project management, since they have a significant role to play in setting the tone of a school in terms of quality, learning environment, and community atmosphere.

Back to business

Moving on to the business and industrial sector, one important milestone of the OSCE's engagement in improving transparency and good governance in Central Asia has been its work with the extractive industries in Kazakhstan. At the core is the OSCE Centre in Astana's support for the implementation of the Extractive Industry Transparency Initiative (EITI), a global standard for transparency in the oil, gas and mining sector. In early 2010, it became an observer to the National EITI Commission, and in the following ran an array of projects to help implement the standard in the country.

In June 2010, the Centre held a conference to assess the progress in preparing the national EITI report, an event attended by more than 150 government officials, international agency representatives, NGOs, and business members working in the extractive sector. The gathering was organized in partnership with the Kazakh Ministry of Oil and Gas, the World Bank, and the Soros Foundation. Six months later, in December, the Centre hosted a workshop for local officials and the business and NGO community in Karaganda, central Kazakhstan. They were trained on international tools of corporate social responsibility – such as the Accountability Stakeholder Engagement Standard (AA1000), a norm that aims to secure quality in the field of learning, governance, and accountability – and basic public-private partnership principles. The Soros Foundation and Blago, a local NGO, partnered with the OSCE in organizing the workshop.

At another such event, this time in Uralsk, north-western Kazakhstan, the private and public sector met with civil society to discuss what new models for co-operation could be found regarding the extractive industry. In June 2011, local government officials, NGOs, and representatives of companies and international organizations took part in a workshop to discuss questions of transparency and accountability when it comes to managing the extractive industry's revenues. They also debated how the public can be more involved in deciding on, for instance, new infrastructure or environmental projects, since local community participation and full access to information provided by the local administrative bodies are a central tenet of the reform process. For that same reason, the OSCE Centre has begun shifting its attention from Astana and Almaty to local sites of the extractive industry, such as Atyrau, Aktau, Karaganda, and Uralsk. The event was jointly organized by the OSCE Centre, the Soros Foundation, the local administration of Western Kazakhstan Oblast (province), and the Uralsk-based NGO, Zaman.

Economic activities

Sustainable economic development has been an important component of the OSCE's comprehensive approach to security since the Organization's earliest days. From the 1975 Helsinki Final Act onwards, the participating States have continuously reaffirmed the importance of this element, often intertwined with environmental protection and social progress. The OSCE Strategy Document for the Economic and Environmental Dimension adopted in Maastricht in 2003 clearly spelled out the Organization's commitment on economic issues when it linked issues such as economic and social disparities, poverty and unemployment with security risks, including extremism, organized crime, and trafficking.

Developing business and investment opportunities

The OCEEA and the OSCE field operations have translated this mandate into project activities promoting and supporting entrepreneurship and small- and medium-sized business; employment initiatives for young people and women; rural development; business incubator schemes; networking projects; and drives for more economic diversification. As with all its activities, the OSCE worked with a wide group of partners – especially local ones – to draw on diverse sources of expertise, establish a wide basis of acceptance, and ensure that the results of its intervention are as sustainable as possible.

In the driving seat: women entrepreneurs promote gender equality

Women entrepreneurs have increasingly taken a key stage in economic development, notably as owners of small- and medium-sized enterprises. Over the years, the OSCE has done its part to support this process, alongside its other activities in the field, such as helping farmers in Central Asia obtain access to the market, or training young entrepreneurs in South-Eastern Europe on business management strategies.

In September 2010, the OCEEA contributed its expertise to the First Forum for South-East European Women Entrepreneurs, held in Istanbul. The event was designed to develop into a regular forum for women entrepreneurs, women's business associations, government authorities, research institutions and NGOs, as well as international experts and representatives of international organizations. Organized by Turkey's Small- and Medium-Sized Enterprise Development Administration, the Regional Co-operation Council

(RCC), and the United Nations Economic Commission for Europe (UNECE), the Istanbul meeting highlighted the importance of giving women entrepreneurs equal access to capital and networking opportunities, and the need to introduce more gender-sensitive policies.

Eco-tourism meets agricultural business in Central Asia

Empowering women in business was also the theme of a project implemented in Turkmenistan by the OSCE Centre there. In the second half of 2010, the Centre held 10 training workshops for rural women in Mary Province on how to work as an entrepreneur in the eco-tourism sector, financial management of private guesthouses, and on licensing and legislation. National experts on rural tourism helped them obtain private business licenses and connected private households with tourism companies.

In Tajikistan, support for farmers and small business owners has moved to the next stage. Entrepreneurs there have already been able to draw on support from specialized Small Business and Agricultural Resources Centres since 2006. In 2010, the OSCE Office and the EBRD helped turn these centres, which traditionally provided individual consultancy services, into customer-oriented agricultural extension services. The Office now focuses on supporting local entrepreneurs to operate within these new market structures and work with the service co-operatives – especially in remote areas that might have to deal with food scarcity.

A project in Uzbekistan, supported by the OSCE Project Co-ordinator's Office, focuses on improving the legislative framework for small businesses. A parliamentary committee dealing with industry, construction and trade, and a local NGO, the Legal



OSCE expert counselling a rural co-operative in Tajikistan's Khatlon Region

Problems Research Centre, are in the process of preparing two new bills that are expected to bring about changes for the trade and business environment in the country. The Project Co-ordinator's Office is helping this initiative along by providing the necessary international expertise and facilitating the exchange of best practices. In the past year, the office also organized a series of round table meetings and conferences to allow for all stakeholders to meaningfully contribute to the legal drafting process.

Jobs for women and youth

In Bosnia and Herzegovina, an OSCE-project that began as a youth support initiative has gradually begun to shift its attention toward rural women and vulnerable citizens, such as persons with disabilities and from minority groups. Part of the Local First Initiative, the project originally consisted of employment workshops and job fairs that were held together with employment institutions and regional development agencies to boost youth entrepreneurship. As a result, a total of 120 young people have found employment, and a further 29 registered private businesses.

At the same time, several pilot projects were conducted to find out whether the target group could be expanded to other persons with trouble accessing the job market. Equipped with some encouraging results, the Mission decided to do just that. Entrepreneurship training seminars for women living in rural communities were held across the country, with the result that for instance in Brod, three new businesses were set up by former trainees.

In Sarajevo, 50 Roma participated in one of the Mission's training events, and learned about such crucial job

application skills as interview behaviour and CV writing. In April 2011, the Mission additionally launched an initiative to help persons with visual impairments get better chances to land a job. As a follow-up, an information campaign will be put together to inform the public about the laws that govern the employment of persons with disabilities, and about what options there are for recruiting them.

Investing into the future: Azerbaijan

Further afield, in Azerbaijan, the emphasis of the OSCE's business and investment support was placed on best practice sharing and establishing a network of business instructors. In November 2010, the OSCE Office in Baku organized two training courses for 87 students of Azerbaijan's State Economic University and the Diplomatic Academy, with the objective to increase the competence of future business leaders on the need for a sound business and investment climate in Azerbaijan.

After four years, the OSCE Office wound up its four-year contribution to the Start and Improve Your Business programme in 2010. Together with the International Labour Organization (ILO), the Office had started the programme to support the diversification and economic growth in Azerbaijan's non-oil sector. Under the initiative, owners of start-ups learned how to develop and improve their business. Additionally, a train-the-trainer programme for business instructors ensured the project's sustainability. The final phase of the programme, run with the ILO and the Ministry of Economic Development, was completed by the end of 2010. The business instructors trained 380 new entrepreneurs in the field, and in November, a countrywide network of business instructors was created at a concluding conference.



The winning photo of the 2011 OSCE's photo contest illustrates a key theme of the OSCE's Second Dimension this year: sustainable transport

Moving on: a dialogue on transport

For many, the term “transport” instantly evokes images of roads being built, sub-ways travelling at high speed through cities, and vans queuing up at borders for customs control. It is, however, a much wider concept, which covers a great variety of economic, political and environmental concerns. This comprises issues such as regional economic co-operation and stability; good governance as a prerequisite for secure and efficient trade; assistance to landlocked countries; the fight against corruption; efficient customs controls; and the introduction of eco-friendly, sustainable means of transport.

A Ministerial Council decision taken in 2006 mandated the OSCE to continue a transport dialogue building upon the recommendations of that year's Economic Forum. But its engagement in the field of transport and security goes back further than that, to some of the founding documents of the OSCE and – more specific to the topic – to the 2003 Strategy Document for the OSCE Economic and Environmental Dimension. The enlarged vision of all things transportation means that the Organization has taken on a tremendous task in covering all the relevant aspects, which will most likely keep it busy for years to come.

Since 2010, the agenda has mainly been dominated by questions related to cross-border trade and transportation, transport security, and environmental considerations. Last year's OSCE Chair, Kazakhstan, focused on good governance at border crossing points and improving land transport security, while the 2011 Lithuanian Chairmanship added the issue of sustainable transport and energy to the debate. This autumn, the Co-ordinator's Office – together with UNECE – plans to launch a publication that looks at best practices at border crossings in view of facilitating trade and transport.

Trade and transport along the Silk Road

Located at a crossroads in Central Asia, Tajikistan has a particular interest in promoting regional trade and co-operation on transport issues. To support the country's efforts in this area, the OSCE Office there has supported the development of free economic zones, public-private partnerships and good governance at border crossing

Meetings and events

2010

- June, Dushanbe* The OSCE Border Management Staff College in Tajikistan and the Co-ordinator's Office organized a seminar on detecting and preventing illegal cross-border waste transports. Customs and border guard officials, national security experts and environmental inspectors from seven countries attended the event.
- July, Almaty* Promoting integrity in customs and border services was the topic of a regional event organized in Kazakhstan by the OSCE and the World Customs Organization. More than 60 senior officials from customs and border guard authorities, as well as NGOs and business associations, learnt about existing tools to combat corrupt practices at border checkpoints, and discussed potential national follow-up activities. Participants came from Armenia, Afghanistan, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, and Turkmenistan.
- September, Geneva* The Co-ordinator's Office participated in several transport-related events, including a meeting of the Group of Experts on Euro-Asian Transport Links, a gathering of the Working Party on Transport Trends and Economics, and a workshop held by UNECE and the United Nations Conference on Trade and Development (UNCTAD) on the impact of climate change on international transport.
- November, Tashkent* Uzbekistan's Ministry of Foreign Economic Relations, Investment and Trade, and the OSCE – in partnership with the UNECE – hosted a meeting of the Euro-Asian Transport Links Expert Group, which included a special session dedicated specifically to the OSCE's activities in the field of transportation in following up on the 18th Economic and Environmental Forum.
- November, Vienna* Some 100 government officials, representatives of road and highway administrative bodies, railway operators and infrastructure managers gathered in Vienna for an international conference on the financing of road and rail infrastructures. The event, which was organized by UNECE with support from the Co-ordinator's Office, took place under the umbrella of the Trans-European Motorways (TEM) and Trans-European Railway (TER) projects.
- December, Turkmenbashi* The Co-ordinator's Office, the OSCE Centre in Ashgabat, UNECE, and the Turkmen Government organized an inter-regional workshop focussing on key issues related to the Euro-Asian Transport Links project. Transport officials from Central Asia, South Caucasus, Eastern Europe, Afghanistan and Mongolia exchanged experiences on Eurasian transport and discussed recent developments related to logistics centres and other initiatives that promote rail and road transport across the region.

2011

- May, Ulaanbaatar* At the 2011 OSCE-Mongolia conference, which aimed at deepening the Organization's co-operation with its Asian partners, the Co-ordinator gave a speech that dealt with the various aspects of an intensified international economic co-operation, with a particular emphasis on transport and energy security.
- May, Skopje* The World Customs Organization, the OSCE's Anti-Terrorism Unit, and the Co-ordinator's Office held a workshop for South-Eastern European countries to discuss the provisions of SAFE, a key agreement for enhanced security in the field of customs. The Framework of Standards to Secure and Facilitate Global Trade, as it is also known, was adopted by the WCO in 2005. The event particularly focused on the Authorized Economic Operator programme, a concept that defines whoever is involved in international goods transport and is in compliance with WCO or equivalent security standards.

July, Almaty More than 50 transport and customs officials, as well as policy makers, met in the former Kazakh capital to discuss how to further develop and improve transport infrastructure, and review national legislation and methods to overcome non-physical barriers to transport and trade. The Co-ordinator's Office, the OSCE Centre in Astana, and UNECE organized this expert group meeting, which formed part of the Euro-Asian Transport Links project.

Building partnerships

2010

November, Berlin The OCEEA briefed a meeting of the so-called CIM/SMGS Steering Group on possible follow-up activities to the 2010 OSCE Economic and Environmental Forum, in particular on rail transport. The CIM are uniform rules concerning the international carriage of goods by rail, while the SMGS is an agreement on international freight traffic by rail. The meeting was organized by the International Rail Transport Committee.

November, Brussels The European Association for Forwarding, Transport, Logistic and Customs Services invited the Co-ordinator's Office to participate in the 10th meeting of the Freight Forwarders' Conference, an opportunity for the OSCE to discuss various options for co-operation on issues featuring on the agenda of the 2010 and 2011 Economic and Environmental Forum.

December, Paris A similar occasion presented itself when the OCEEA was invited to attend a "Stakeholder Consultation," convened by the International Transport Forum (ITF) in preparation of its May 2011 meeting in Leipzig. The ITF is an inter-governmental body within the OECD family.

2011

January, Geneva At a discussion forum organized by UNECE and the Transport Asset Protection Association, the Co-ordinator gave a presentation on the OSCE's approach to transport security, including its work on container security. Holding a joint OSCE-UNECE round table meeting for transport security experts was also discussed. Consultations with the UNECE continued and it has been decided to convene this meeting in Vienna this December, carrying out another recommendation from the 18th Forum in 2010.

March, Geneva The OCEEA attended the high-level segment of the 64th Session of UNECE that dealt with economic integration and co-operation, focusing in particular on trade and transport infrastructure, as well as energy co-operation.

May, Brussels While attending meetings of the WCO's Capacity Building Committee and its Integrity Sub-Committee, the OCEEA explored with its partners what activities could be embarked upon after the launch of the OSCE-UNECE Handbook on best practices at border crossings. Possible projects to fight corruption in customs were also discussed.

May, Leipzig At the 2011 International Transport Forum, entitled "Transport for Society", the Co-ordinator's Office held talks with transport experts to discuss preparations for the 19th OSCE Economic and Environmental Forum, following up also on the latest transport-related developments.

points. In particular the Sughd Free Economic Zone, located in the north of the country, has proven to be a success story. Earning some USD 37 million since 2010, the Zone has attracted direct investment in the construction, agro-industry and renewable energy sectors from Cyprus, Poland, and Russia, among others. With this achievement in mind, the OSCE Office turned its attention in 2011 to the Ishkashim and the Pyanj Free Economic Zones in southern Tajikistan.

The Zones are an ideal platform for investment promotion and cross-border trade. To support their development, the Office has provided advice and technical assistance to the authorities on managing and administrating the Zones, and co-chaired two co-ordination council meetings with Tajikistan's Ministry of Economic Development and Trade. These events brought together all national partners and international agencies working in the areas of business and investment climate. This March, Tajikistan also adopted a new law on free economic zones, which was developed with expert support provided by the OSCE.

The challenges posed by cross-border trade between Tajikistan and Afghanistan are another focus of the OSCE's activities in the country. Its projects in that field included the promotion of public-private partnerships and good governance practices at border crossings. One tool to achieve this are cross-border resource centres along the Tajik-Afghan border in Ishkashim, Khorog and Darvoz, which provide information on customs and taxation issues, and offer business training workshops to entrepreneurs from both countries. In 2010, these OSCE-supported centres received nearly 950 visitors from among the cross-border trading community, an increase of 40 per cent from the previous year.

On the policy level, the Office also works with the Tajik authorities to introduce the concept of public-private partnerships and explain how these could help modernize the border crossing points. Last December, the OSCE and the Federation of Turkish Chambers of Commerce organized a study tour for high-level Tajik officials to a Turkish-Bulgarian border checkpoint to demonstrate this concept.

In Kazakhstan, meanwhile, the OSCE Centre emphasized transport efficiency and simplified customs procedures.



Border crossing point between Kazakhstan and Kyrgyzstan

Between August and October 2010, it ran six regional seminars across the country on the customs code used by the Belarus-Kazakhstan-Russia Customs Union. More than 1,000 participants from among the business community, customs officials, and local government representatives attended the seminars. They were trained on issues such as improved cross-border procedures and how to co-ordinate actions to remove non-physical barriers to trade and smooth out transit through Kazakhstan. The Customs State Committee organized the seminars together with the Forum of Kazakhstani Entrepreneurs, a local NGO. They received support from the OSCE, USAID, and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ – German Society for International Co-operation).

Managing migration

Worldwide, some 214 million people are currently living outside their country of birth, more than half of them in the OSCE region. Over the last 45 years, the number of migrants has more than doubled, and it is likely that this trend will continue unabated. Moreover, the world's population is expected to grow by one third over the next 40 years, a development that will mostly be felt in the developing world. Developed countries, in their turn, will look for legal channels to open up their markets to labour from abroad.

“Migration should be viewed as an opportunity and not simply a challenge or threat.”

William Lacy Swing

Director General,
International Organization for Migration (IOM),
speaking at the OSCE Economic and Environmental
Forum in Athens, 18 May 2009

Managing these flows of people has thus become a central issue for countries around the globe, and most definitely so for those that are part of the OSCE region. It is becoming more and more important for countries to deepen their dialogue and co-operation at all levels, and to find effective and comprehensive responses to the challenges resulting from mass migration.

The policy framework

Migration management was brought into the realm of the OSCE's activities in 2005, when the Economic Forum closely looked into demography, migration and integration issues. Four years later, the 2009 Economic and Environmental Forum discussed again the topic of migration and as a result the OSCE Foreign Ministers placed the issue squarely on the OSCE's agenda with a Ministerial Council decision on migration management. The decision confirmed that sharing of best practices, dialogue and co-operation are an important element of the OSCE's mandate, and identified specific areas in which the Organization can add value, namely addressing the root causes of migration; improving data collection; fostering co-operation and partnerships for effective legal migration solutions; incorporating gender aspects; enhancing policy coherence; and minimizing the negative impacts of the global financial crisis on migrants.

Among other issues, the 2009 Ministerial Council tasked the OSCE to provide a broad regional platform for exchange of experience and good practice as well as advice and training on effective migration management. In line with this tasking, the Co-ordinator's Office has promoted the concept of comprehensive migration management and provided the participating States with handbooks and training manuals on this concept. It has conducted several regional capacity building and training seminars dealing with comprehensive labour migration management, including gender-sensitive labour migration policies and the importance of data collection and statistical analysis for evidence-based policy making.

Making migration more gender sensitive

A special emphasis was placed on gender issues in the context of labour migration at a series of training seminars held in 2010 and 2011 in Helsinki, Astana, and Vienna, respectively. These regional events, which were organized by the OCEEA in co-operation with the IOM, ILO, UNIFEM, Council of Europe, and ODIHR, had as their main objective to raise awareness of the challenges faced by female migrant workers in the OSCE region, and the need for more appropriate policy responses.

Comprehensive and effective migration policies consider that the gender aspects of migration can help utilize the full potential of both female and male labour migrants for socio-economic development in countries of destination and origin. The training seminars, which took place between April 2010 and May 2011, were structured around interactive and participatory group discussions and case studies. They followed the OSCE Guide on Gender-Sensitive Labour Migration Policies and the OSCE Trainer's Manual on Gender and Labour Migration.

The events were attended by mid-level government officials, policymakers, experts and representatives of labour unions and employers' organizations from the Russian Federation, South Caucasus, Central Asia, Eastern Europe, South-Eastern Europe, and the



TRAINING MODULES ON LABOUR MIGRATION MANAGEMENT

Trainer's Manual


IOM International Organization for Migration

 Organization for Security and
Co-operation in Europe



Meetings and events

2010

- June, Rome* At a conference on gender and labour migration, organized under the auspices of the GEMMA project, the Co-ordinator's Office presented the OSCE Guide on Gender-Sensitive Labour Migration Policies and a related trainer's manual. GEMMA is an initiative funded by the European Commission that aims at improving co-ordination between researchers, policy-makers and civil society organizations on gender and migration questions.
- June, Moscow* The World Bank and the United Kingdom's Department for International Development (DFID) sponsored a training workshop on migration statistics at which the OCEEA presented its work on gender aspects of migration and migration data harmonization. The meeting was held by MIRPAL (Migration and Remittances Peer-Assisted Learning Network), a network of practitioners and policy-makers specialized in this domain.
- October, Vienna* The OCEEA attended a conference organized by the National European Migration Network to discuss labour migration in the European Union.
- November, Strasbourg* The OCEEA participated in a round table meeting of the Council of Europe's European Committee on Migration and the UN High Commissioner for Refugees (UNHCR), during which possible solutions for local integration and the resettlement of refugees were discussed. Later, at the Council of Europe's Committee meeting on Migration, the Office gave a presentation on the economic potential of female labour migrants and the OSCE's activities in that context.
- December, Istanbul* At a training workshop on migration statistics organized by UNECE and the UN Population Fund (UNFPA), the Co-ordinator's Office presented the OSCE's policies towards improving availability and comparability of statistics on migration.

2011

- February, Vienna* Together with the IOM, the OCEEA launched a new publication for trainers on labour migration, a step-by-step manual that complements the Handbook on Establishing Effective Labour Migration Policies published by the OSCE, ILO and IOM in 2006. The manual is the first of its kind and will be translated into Russian during 2011.
- March, Almaty* The Co-ordinator's Office attended a regional conference on refugee protection and international migration, organized by UNHCR and IOM. The event was supported by the OCEEA, the Kazakh Government, and the UN Regional Centre for Preventive Diplomacy for Central Asia.
- June, Astana* The OCEEA contributed its expertise as trainer on gender-sensitive Bilateral Labour Agreements at a regional, IOM-organized seminar on labour migration management with an emphasis on the implementation of organized recruitment schemes, held in Kazakhstan.



An OSCE training seminar on gender labour migration in Astana, Kazakhstan, in September 2010

European Union, dealing with labour migration policy analysis, development, review and implementation.

To further promote the issue and the OSCE's "toolset" on gender and labour migration, the OCEEA is planning to organize – together with the ODIHR and the OSCE's gender section – an internal training seminar in 2012 for OSCE field mission officers working with issues related to labour migration.

Streamlining the data base: Central Asia

To improve the collection of comparable data on migration and facilitate dialogue and exchange of best practices, the Co-ordinator's Office has worked since early 2011 with the IOM in organizing a series of country assessments in Central Asia. These assessments went hand-in-hand with three meetings in Tajikistan, Kazakhstan, and Kyrgyzstan, at which policy-makers and technical specialists discussed what next steps ought to be taken to harmonize data collection between these countries.

The meetings – which started this January in Dushanbe and then moved on to Astana and Bishkek in February and March, respectively – are part of a larger joint OSCE-IOM project that looks at the internal and external data needs on migration issues and its impact on policy-

making. The findings of all evaluations will be presented in a handbook, which will be presented at a regional conference on migration issues in Vienna in 2012.

Responding to changing needs

In early 2011, the OSCE received a request from the Kazakh authorities to help review the country's new bill on migration and to assess the draft law's conformity with international standards and best practices. As a result, the OSCE joined its international partners – ILO and UN Women – in organizing a workshop that discussed the bill's legal elements. The event was held last May and comprised participants from among government representatives, Parliament members, civil society, and international organizations.

The workshop resulted in a final document outlining a legal opinion on the draft law. Subsequently, the bill was adopted and is considered a useful instrument for migration management in Kazakhstan that takes into account international legal standards. The workshop, which was held together with Kazakhstan's lower chamber of parliament (Majilis), the Ministry of Labour and Social Protection, and the country's Migration Police Committee, followed a similar initiative in 2009 to support Kazakhstan with its handling of labour migration issues.

Tajikistan is particularly affected by the steady flow of its citizens seeking work abroad. Every year, many Tajiks are leaving their home country, to look for employment in other countries, in particular Russia and Kazakhstan. Many are unaware of immigration and registration requirements and thus become irregular migrants. Since 2006, the OSCE Office in Tajikistan has supported resource centres to give citizens who intend to leave the country the necessary information on their rights and the conditions that apply to legal migration. The recent world financial and economic crisis, however, has resulted in many of these potential migrants to stay in Tajikistan – or others to return – and the Office has now shifted its activities toward helping those people develop new economic opportunities for social integration within the country. In 2011, the Office developed a specialized training curriculum that targets in particular this segment of society, and organized seminars for citizens living in the regions of Garm, Khujand, Kulyab, Kurgan-Tyube and Shaartuz.

Energy security

Since the beginnings of the OSCE's involvement in questions of energy security in 2003, the topic has gained increased importance in the OSCE area and is regularly a point of discussion at international forums. At the 2006 Brussels Ministerial Council, the OSCE's participating States decided on an Energy Security Dialogue, which outlined that the Organization's concept of energy security goes beyond security of supply, and includes security of demand and of transit, as well as energy efficiency.

A Ministerial Decision adopted in December 2009 further strengthened the dialogue and co-operation on energy security in the OSCE area. Among others, it encouraged the participating States to promote awareness of the principles and objectives on strengthening of global energy security, adopted by the G8 States at the St. Petersburg summit meeting in July 2006. This included:

- increasing transparency, predictability and stability of global energy markets;
- improving the investment climate in the energy sector;
- enhancing energy efficiency and energy saving;
- diversifying energy mix;
- ensuring physical security of critical energy infrastructure;
- reducing energy poverty; and
- addressing climate change and sustainable development.

The Decision also asked for a special meeting on energy security issues, which was held in September 2010 in Vilnius by the then-Kazakhstan OSCE Chairmanship, the incoming Chair, Lithuania, and the OCEEA. More than 200 participants from the OSCE participating States and Partners for Co-operation, international organizations, business and academic experts attended the meeting. They discussed issues as diverse as regional co-operation on ensuring energy security; how to ensure that necessary conditions are in place to develop the energy sector; the reliability of critical energy infrastructures; and what the OSCE can contribute to international energy security co-operation.

Finally, the ministers also tasked the OSCE Secretary General with submitting a report to the Permanent Council, based on the outcomes and recommendations identified at the Vilnius meeting. This report, presented to the Review Conference in October 2010 organized

in preparation of the Astana Summit, highlights the usefulness of the OSCE as a platform for political dialogue regarding energy security. Furthermore, it outlines a number of specific thematic areas for possible OSCE engagement:

- The OSCE can bring added value and make a unique contribution in promoting good governance and transparency in the energy sector.
- The OSCE should continue to focus on addressing various threats to critical energy infrastructure, facilitating capacity building in this field and the co-ordination of government and corporate energy security strategies.
- A possible OSCE role in confidence building and development of early warning mechanism for energy security requires further consideration.
- The OSCE should promote sustainable energy solutions, among others by facilitating the dissemination of information and best practices regarding cleaner energy, energy efficiency, renewable energy sources and technology solutions, as well as through holding seminars and conferences on these issues.
- The OSCE can promote increased awareness regarding the linkages between energy security and climate change as well as energy policies that also support efforts to combat climate change.

On the grid: Central Asia's energy supply

Working with national experts and the authorities, the OSCE Centre in Ashgabat and the Co-ordinator's Office have run a workshop on Energy Diplomacy in March that targeted a cross-section of Turkmenistan's oil, gas, energy, economic, and financial sectors, and members of the academic community. Four international experts trained 27 Turkmen officials on energy-related issues, on how to contribute to national capacity building and increase the potential of the country so as to further

promote energy security. The participants discussed issues as diverse as pricing mechanisms for oil and gas commodities, the role of futures trading and investment banks, and carbon emission trading schemes. A follow-up workshop was conducted in August, and further training activities are planned for 2012.



Participants at an energy diplomacy workshop organized by the OSCE Centre in Ashgabat and the OCEEA in Turkmenistan in March 2011

How to standardize investment procedures and ultimately help private investment in small hydropower projects was the topic of a series of seminars held in Tajikistan since last November. The events, which were organized by the OSCE Office in Tajikistan and the Tajik-Norwegian Small Hydro Power Initiative, will continue until the end of this year and hopefully result in a comprehensive action plan to further develop hydropower in the country. The Office also conducted a study tour to Armenia, which in recent years has managed to attract private investment to small hydropower projects.

In neighbouring Uzbekistan, a new project aims at supporting Uzbek farmers and the industrial sector with renewable energy solutions. A working group, under OSCE auspices, has been formed to analyse current trends in this field and to assess its potential for Uzbekistan. A strategy and an action plan on the development of renewable energy solutions are in planning and scheduled to be finalized by the end of 2011.

“Long-term energy security largely depends upon the sustainable production and consumption of energy.”

Egidijus Meilūnas

Vice Minister of Foreign Affairs of Lithuania, opening statement at First Preparatory Meeting of the 19th Economic and Environmental Forum, Vienna, 7 February 2011

Renewable energy sources in Azerbaijan and Ukraine

Renewable energy was also the topic of a series of seminars and conferences organized by the Office in Baku, but in their case they focused on promoting best practices for the legal and regulatory framework and renewable energy technology solutions. One such event was the Workshop on the Creation of a Legal Framework for the Promotion of Renewable Energy Sources in Azerbaijan, held between 21 and 23 June 2011 in Baku. Working with Parliament, the Tariff Council, and the Ministries of Industry and Energy and of Economic Development, the Office targeted particularly capacity-building events and ways how to provide technical assistance.

In Ukraine, the OSCE Project Co-ordinator’s Office has implemented an initiative that was requested by the Ministry of Municipal Economy to boost energy-saving measures in the country’s Poltava region. The goal of the project was to increase the share of alternative and renewable energy in Poltava and develop generic approaches to energy efficiency that could be used elsewhere. The Project Co-ordinator’s Office produced a set of recommendations on how to minimize the use of fossil fuels for heating in those regions where there is an abundance of biomass and other renewables. It is expected that the Ministry of Municipal Economy will initiate changes to the existing legislation to stimulate the use of renewable energy.

In May, special emphasis was put on disaster management at the Ambassadorial Meeting on Challenges posed by Natural and Man-made Disasters and the Co-ordinated Response of the International Community, convened by the Lithuanian OSCE Chairmanship in Vienna. This OCEEA-supported event took place under the so-called “V to V Dialogue”, which was introduced by the Lithuanian Chair in early

* As in “Vancouver to Vladivostok via Vienna and Vilnius” – taking up a well-known adage coined during the OSCE’s early days of a “security space spanning from Vancouver to Vladivostok”



Helping a rural co-operative in Tajikistan's Khatlon Region on hydropower projects

2011 and aims at strengthening the OSCE's mediation-support capacity.

At the meeting, experts briefed the participants on the challenges posed by natural and man-made disasters, and the existing international efforts in addressing them. The OCEEA pointed to its own activities regarding

wildfire management in South Caucasus, as well as its support to Multilateral Environmental Agreements in addressing disasters. Participants suggested a complementary role for the Organization in this area, building on existing expertise and promoting co-operation on risk reduction and response on the sub-regional level.

Meetings and events

2011

February, Brussels

The Co-ordinator delivered a report on planned activities in 2011 to the Working Party on the OSCE and the Council of Europe (COSCE). The briefing, which in future is likely to take place every six months, helps reinforce ties between the OSCE and important pan-European institutions. The COSCE is responsible for issues related to the Council of Europe and the OSCE, and relations between the EU and these organizations. The group meets once a month at capital city level and holds regular troika meetings with third countries. Where necessary, the group adopts operational conclusions.

March, Vienna

The OCEEA participated in a meeting of the Vienna Energy Club (VEC), which brings together eight Vienna-based international organizations dealing with energy questions and serves as an informal platform for discussions and exchange of views. Through the VEC, the OSCE obtains access to the specialized expertise in energy issues of other VEC members, an important element for practical implementation of energy-related projects in the field.

May, Vienna

The OCEEA facilitated a special thematic meeting of the EEC, during which representatives of the Russian Energy Ministry and the Energy Charter Secretariat discussed legal framework issues regarding energy security.

Environment and security

The wide array of issues that encompass the OSCE's engagement in the field of environment and security is tackled by diplomatic discussions as well as concrete project implementation. Over the past twelve months, the Organization and its international and local partners focused on issues such as the responsible handling of water resources, land and waste management, and how to deal with the security implications of climate change. In doing so, it continued its engagement with the Environment and Security (ENVSEC) Initiative and the Aarhus Centre network, co-operating with governments and civil society alike to build confidence and raise environmental awareness.

The Environment and Security Initiative

With more than 52 on-going projects in its region, and many in the pipeline for future implementation, the ENVSEC initiative continues to play a key role in responding to environment and security concerns. So far, several projects have been implemented by the OCEEA in Central Asia, South Caucasus, Eastern Europe and South-Eastern Europe, either directly or in partnership with one of the ENVSEC partner organizations. Continuing its strong engagement for ENVSEC, the OSCE has taken over its annually rotating chairmanship in 2011.

The Finnish Government, ENVSEC's currently major donor, commissioned a detailed evaluation of the initiative which, in late 2010, confirmed ENVSEC's important contributions to reducing environment and security risks by generating regional co-operation and increasing trust and mutual confidence among its participants. However, the assessment also pointed to a few areas where more attention is needed, such as to speed up efforts to mobilize resources, and to bolster the security-related programme elements.

Based on the results of the evaluation, the Initiative is driving forward an ambitious programme of reinforcing the security aspects and expanding capacities to better respond to the environmental challenges that are emerging in the OSCE region. The OSCE, as the Chair of the Initiative, has also taken steps to increase the initiative's visibility and expand its network of partners and donors. Within ENVSEC the OSCE continued its co-ordinating role for activities in South Caucasus.



ENVSEC
Environment & Security

The ENVSEC Initiative focuses on four regions: Central Asia, the South Caucasus, Eastern Europe and South Eastern Europe. The OSCE's partners in this initiative are: UNDP, UNEP, UNECE and REC, as well as NATO as an associate partner.

Fire and water in the Caucasus

ENVSEC has been very active in South Caucasus over the last years. Projects in Armenia, Azerbaijan and Georgia stretched from facilitating cross-border water co-operation and wildfire management to the strengthening of civil society organizations and the promotion of urban environmental assessments. Others facilitated the implementation of multilateral environmental agreements, such as the Aarhus and Espoo Conventions.

In Azerbaijan and Georgia, the Co-ordinator's Office has worked with UNECE and the countries' governments to develop a bilateral agreement on shared water

resources, providing a framework for mutual co-operation on water pollution prevention and control; biodiversity conservation; emergency situations; data and information sharing; and public participation. The draft document, which is yet to be approved, includes a provision to establish a joint commission to protect the use of water resources of the Kura River, an important stream for both countries. The project also included technical assistance for Georgia in identifying what is needed for the country to accede and implement the UNECE Transboundary Water Convention.

Wildfires naturally can have an impact on eco-systems and populations across borders. In Georgia, the Co-ordinator's Office supported the development of a national forest fire management policy and provided technical assistance to assess the legal and institutional framework for wildfire management. In neighbouring Armenia, a vulnerability assessment was carried out in late 2010, and a fire management training, followed by a national roundtable bringing together the main actors in this field, are planned for 2011. The same round of activities are taking place in Azerbaijan this year.

Projects and conventions: from South Caucasus to Central Asia

The range of ENVSEC projects in Armenia includes mine management and the handling of chemical waste. Last July, the Co-ordinator's Office and the UN Environment Programme (UNEP) supported an on-the-spot assessment of several mining sites in the

country, to help develop a joint programme that can improve the environmental situation at the mines. In Nubarashen, not far from Armenia's capital Yerevan, chemical waste stemming from obsolete pesticides – more than 500 tons of it – was posing a grave danger to the environment. Since early 2010, the OSCE Office in Yerevan and OCEEA has been working with the authorities to assess the state of the storage site and develop a risk-reduction strategy.

Environmental decision-making has to be done in the interest – and thus with the participation – of the general public. In an effort to bring on board more participatory methods, the OCEEA in co-operation with Tbilisi city administration invited NGOs, members of the academic community, and ministry officials to help prepare a report on the state of the environment in the Georgian capital. The initiative, which received support from the Co-ordinator's Office and UNEP, was followed by a number of training seminars for national and local stakeholders on urban environmental management and methodologies for integrated environmental assessments.

In Central Asia, cross-border water co-operation, dam safety, and implementation of the Espoo and Aarhus Conventions topped the ENVSEC's list of activities in the past year. The Co-ordinator's Office continued its regional project to support implementation of the Aarhus principles in Kazakhstan, Kyrgyzstan, and Tajikistan, and to intensify the work of the Aarhus Centres on priority environmental issues for these countries.

A Convention from Aarhus...

The UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters, usually known as the Aarhus Convention, was signed on 25 June 1998 in the Danish city of Aarhus. It entered into force on 30 October 2001.

The Convention protects the public rights to access to information, public participation and access to justice, in governmental decision-making processes on matters concerning the local, national, and transboundary environment. It focuses on interactions between the general public and the public authorities.

... and Espoo

The Convention on Environmental Impact Assessment in a Transboundary Context is a UNECE convention signed in Espoo, Finland, in 1991. It entered into force in 1997.

The Convention sets out the obligations of Parties to carry out an environmental impact assessment of certain activities at an early stage of planning. It also lays down the general obligation of States to notify and consult each other on all major projects under consideration that are likely to have a significant adverse environmental impact across borders.

Building bridges across the Dniester

Environment and security challenges in Eastern and South-Eastern Europe range from pollution and the transport of dangerous waste products, to the co-operative management of water resources, climate change challenges, and environmental governance. In

Ukraine and Moldova, ENVSEC has concentrated on capacity-building projects to prevent the illegal transport of hazardous waste across international boundaries, and to support cross-border co-operation on the Dniester River, on issues such as biodiversity, flood vulnerability and water quality control. The Dniester project

Meetings and events

2010

October, Tbilisi

Some 60 participants attended the ENVSEC South Caucasus Regional Co-ordination Meeting, which provided an overview of activities implemented during the previous year and outlined a future work programme in the region. ENVSEC National Focal Points, representatives of partner organizations and civil society organizations took part in the event.

2011

February, Lviv

Most of ENVSEC's regional priorities in Eastern Europe were reconfirmed at a regional co-ordination meeting that brought together community members from Belarus, Moldova, and Ukraine. At the meeting, new developments and important hotspots were discussed, such as the elimination of pesticides in Moldova and Belarus, and of stocks of mélange – toxic rocket fuel – in Ukraine; the green border demarcation and management between Ukraine and Belarus; pollution control in the coal-producing region of Donetsk; and co-operation regarding the many shared water basins in the region, such as the Dniester, the Lower Danube, the Pripjat, the Neman, and Lake Drisviaty. The participants – state agency representatives, the academic community, NGOs, media, and project experts – also talked about issues associated with nuclear power generation and waste, and environmental problems at the Black Sea coast.

May, Tbilisi

Government officials and civil society representatives from Armenia, Azerbaijan, Georgia, and Turkey met to discuss implementation of the Espoo Convention. Key issues discussed were the need for capacity-building activities and the application of the Strategic Environmental Assessment (SEA) - a system that allows incorporating environmental considerations into policies, plans, and programmes. The event was organized by the Co-ordinator's Office together with the UNECE Espoo Convention Secretariat.

June-July, Chisinau

The Co-ordinator's Office uses a variety of international gatherings to advocate for ENVSEC and increase the initiative's visibility. One such opportunity was the 4th Meeting of the Parties of the Aarhus Convention, which took place from 29 June to 1 July 2011 in Chisinau; where the OSCE organized an Aarhus Centres side event with the participation of government and NGO representatives, as well as Aarhus Centre Managers.

September, Astana

The Co-ordinator participated at the 7th "Environment for Europe" Ministerial Conference held between 21 and 23 September 2011 in Astana, addressed the Conference at the opening, chaired the ENVSEC side event and contributed to several other side events as speaker.



Alaverdi, a commercial and industrial centre in Armenia

culminated in a draft bilateral agreement on conservation and sustainable development of the river basin, which is currently under review by the two countries before high-level negotiations on the issue can begin.

In South-Eastern Europe, the Co-ordinator's Office supported implementation of the Aarhus Convention in Albania, Bosnia and Herzegovina, Montenegro, and Serbia.

Water

For future generations, there may well be no more important security consideration than how to maintain access, secure, and share water supplies. Managing increasingly scarce water resources is already a major concern across the globe, and there is no continent that does not have to struggle with occasional or even frequent water shortages and, sometimes, long droughts.

On this background, the reason for the OSCE's engagement in fostering regional and sub-regional co-operation across its region on water resource issues becomes quite evident. In particular in Central Asia, but also South Caucasus and Eastern Europe, the Organization's field operations have continued to work intensely on water management issues, resource monitoring, and environmental protection.

Dealing with Kazakhstan's water challenges

There is probably no more vivid example of misplaced water management as the drying up of most of the Aral Sea in Central Asia in the 20th century as a result of large-scale river diversions by the Soviet Union. To raise international awareness on the issue, the OSCE Centre in Astana is working together with Kazakhstan's Government and the International Fund for Saving the Aral Sea (IFAS). In mid-2010, more than 70 international diplomats, government officials, experts and potential donors attended a conference in Kyzylorda, southern Kazakhstan, to discuss environment and security



Kokaral Dam, North Aral Sea

threats in the Aral Sea Basin. They had an opportunity to observe first-hand the changes that have occurred in the region during a fly-over excursion across the North Aral Sea and Syrdarya delta region.

Since the problem decidedly affects all countries that abut the Aral Sea, the OSCE Centre backs the sharing of best practices on water management across Kazakhstan's borders, for instance, by supporting, together with the UNECE, the Kazakh-Kyrgyz commission on Transboundary Water Resource Management for the Chu and Talas Rivers. In May 2011, IFAS and the OSCE Centre also kicked off a project to address biodiversity problems in the wetlands of the North Aral Sea.

On the legal side, the OSCE Centre puts special emphasis on the adoption and inclusion of the Integrated Water Resource Management (IWRM) principles in Kazakhstan, and is working with the UNDP office in the country to develop a national IWRM programme and revitalize the national water authority till the end of 2011.

Further to the west, the Caspian Sea – the largest inland body of water in the world – also remains very vulnerable to pollution and environmental damage, in particular as a result of the very extensive oil and gas extraction activities going on there. In April, the OSCE Centre in Astana co-organized a workshop on the Ratification and Implementation of International Maritime Organization (IMO) Conventions, together with Kazakhstan's Ministries of Foreign Affairs, of Transport and Communications, and of Oil and Gas. The event helped further raise awareness of the environmental risks associated with the extractive industries, in particular pollution of the marine environment.

The precious, wet resource: Tajikistan and Kyrgyzstan

Cross-border co-operation on water issues and resource management is an equally sensitive and important subject in Tajikistan, where the OSCE Office has been very active in confidence-building activities and regional co-operation. This May, it also kicked off a project that aims at introducing a new curriculum on international water law at Tajikistan's universities.

The initiative, which was put together in co-operation with the Ministry of Land Reclamation and Water Resources, is expected to culminate this November with the presentation of a draft curriculum for students of different grades and degree programmes.

Another project, started in October 2010, aimed at conveying to ministry representatives and officials working on water, energy, and agriculture issues the critical principles of water resource sharing and best practices in river basin management. The programme, which the OSCE Office developed with the UNDP office in Tajikistan, also introduced to the participants the tools to prevent and solve conflicts involving water, a pivotal question in a region that so obviously depends on the sharing of this fundamental resource.

In the same month, the OSCE Office and the Tajikistan branch of the IFAS Executive Committee hosted a round table meeting on the socio-economic and environmental challenges in the Aral Sea Basin. At the event, the participants – government officials, experts and members of international organizations – explored how to expand regional co-operation on this problem, and discussed possible future projects to assist countries in the Aral Sea Basin over the next five years.

The Isfara and Khodzha-Bakirgan River Basin stretching across the border region between northern Tajikistan and southern Kyrgyzstan is yet another example of the need for good regional co-operation on water resources. There is a forum for this – the Kyrgyz-Tajik Inter-Ministerial Working Group on Water Management – and the OSCE Office, in partnership with the GIZ, has given its support to these efforts. In November 2010, a study tour on best practices of river basin management was organized for senior members of the working group, and this year, the Office linked up with the OSCE Field Office in Osh, in neighbouring Kyrgyzstan, to organize a series of round table meetings and seminars for local water users along the border of the two countries.

Meanwhile, in Kyrgyzstan, the OSCE Centre in Bishkek started a programme to strengthen the capacity of schools – and particularly of so-called Water Task Forces, formed from teachers and students – in addressing local water pollution and problems of

access to clean water. Students across the country were provided with mini-water laboratories and were trained on how to analyse small-scale water problems in their neighbourhoods. The Task Forces then addressed these problems under OSCE-funded mini-projects and set up public information campaigns in co-operation with local self-governance bodies. Through this, young men and women from all ethnic groups of the country are involved directly in the assessment of problems, and then take joint responsibility to find solutions. The Centre also promotes education in water security at Kyrgyz universities, and supports the inclusion of IWRM principles into the curriculum at four pilot universities.

Different countries, similar problems: Azerbaijan, Ukraine and Moldova

At the western shores of the Caspian Sea, the OSCE Office in Baku, Azerbaijan, started a new community-based project in September 2010 to foster public participation in water resource management of the Ganykh River basin, which is located near the border to Georgia. The Ganykh is one of the tributaries of the Kura River. The Office sponsored a report on the environmental state of the Ganykh and organized several community meetings that resulted in the establishment of the River Basin Council last December. The initiative continues to receive support from the OSCE in 2011, not only through further community meetings on water quality issues in various municipalities across the country, but also in the form of a manual explaining public participation procedures on water management that will be put together in the course of the year.

In Eastern Europe, it is the Dniester River basin on which millions of people rely as their main water lifeline. Almost 8 million Moldovans and Ukrainians depend on the waters of the stream, a fact that has been brought into particular perspective in 2007, when a drought afflicted the region, followed a year later by devastating floods.

The OSCE has been supporting the sustainable management of the Dniester River basin since 2004, together with its partners, UNECE and UNEP. In late 2009, these organizations started a joint management project that forms part of ENVSEC and represents the implementation phase of an action programme that

includes both riverine countries. Project Dniester-III, as it is called, focuses on six separate targets: legislation; co-operation between health authorities; conservation of fish diversity; information exchange; public awareness-raising; and reducing vulnerability of the area to floods and the effects of climate change. Participants include water management and health officials from Ukraine and Moldova (including the Transdnestr region), as well as members of the Ministries of Foreign Affairs and the Environment, local NGOs, and the academic community.

The project, which comes to an end in 2011, includes a policy level and practical components. On the policy side of things, project has produced a draft agreement on the Dniester River basin, which is in the process of being reviewed by the authorities, and draft regulations on the bilateral co-operation of the countries' health and fisheries authorities. The practical activities included a series of excursions by health officials from both nations during which the Dniester waters were tested on both territories, an important exercise not only for scientific purposes but also because it helped the participants better understand how the methodology and equipment for such work ought to be harmonised and improved, and strengthened their trust in each other's data, putting to rest past disputes over water quality.

The drought of 2007 and the subsequent floods have sharpened the public perception of the vulnerability of the Dniester River basin, in particular in the context of a changing climate. To address this, the project conducted an analysis of existing data and developed flood models that helped identify particularly vulnerable areas. Another element of the project is to try reversing a catastrophic loss of fish stock in the river over the last 25 years, which resulted in the extinction of 50 per cent of fish species. Field studies have been commissioned to assess the current state of fish stocks in the Lower Dniester and provide sufficient material to determine what next steps need to be taken.

Under Dniester-III, virologists working in the Ukrainian part of the river were sent for a study tour to Belarus; another joint Moldovan-Ukrainian expedition is planned for 2011. Awareness-raising and public information is an important part of the initiative, which comprises this year the installation of 50 information billboards along



Field research on fish diversity in the Lower Dniester river, at Mayaki, Ukraine

the river, a media tour, and a sponsored master class in environmental journalism.

Geo-information can play an important role in increasing and improving the amount and quality of data available on environmental issues. Consequently, Dniester-III made it possible for experts on such technology to develop a pilot geo-information system (see annex for web link) to improve the data basis for decision-making on the environmental effects on the Dniester River basin.

Entirely unrelated to Dniester-III, but part of the same environmental context is the support the OSCE Project Co-ordinator in Ukraine provided for the development of a geo-information system in the country that helps the authorities monitor maritime navigation and obtain the necessary data when and if emergencies occur. With this database, more effective management of accidents at sea is possible, minimizing as a result also the environmental damage. The project, which is being implemented by Ukraine's Ministry of Environment with

funding from Finland, is aimed at users working for the Ministry of Emergencies; its rapid response and environmental rescue centres located around the Black Sea coast and in the river basins; and the country's Ministry of Environmental Protection and Natural Resources.

Managing the land

Land degradation, illegal dumping of toxic and sometimes radioactive waste, and over-farming, especially of water hungry monocultures, are some of the main threats to the land across the OSCE area. Similar to the efforts undertaken to regionally and sub-regionally manage water resources, land and

Dangerous mining by-products, such as arsenic, can leach from burial sites into the environment, which poses a threat to local communities.



waste management is crucially important to roll back environmental damage, introduce legislation that protects the natural resources, and bring expertise to farmers on how to diversify and work with, not against the environment.

Watching the waste: toxic trash in Ukraine

When it comes to toxic and hazardous waste, Eastern Europe has had to bear a heavy burden since the 1990s. Repeatedly, hundreds of tons of asbestos, used batteries, expired medication and drugs, as well as acid tar and other chemicals, have been illegally transported across the borders to Belarus, Moldova, or Ukraine. It is natural that both the authorities of these countries and their civil society organizations share a common interest in tackling this cross-border problem.

Together with these local actors, the OCEEA has run a long-term capacity-building project that was finally completed this year. The focus of the project was the illegal transport of hazardous waste, ozone-depleting substances, and pesticides, but also of rare and endangered animal and plant species. Since 2008, a total of 160 officials – 110 from Eastern Europe, the rest from other South Caucasus and Central Asia countries – were trained to detect and prevent the illegal trafficking of such “goods”; a further 45 participated in a train-the-trainer workshop through which the acquired knowledge is passed on further down the line.

The organizers also prepared a guide to convey the methodology of teaching such issues, and put together so-called “Waste Watch cards” – a set of quick-reference cards carrying practical information on waste and its transport across international borders – and distributed more than 2,000 of them to the authorities. Overall, the project has been so successful that it has been picked up by the OSCE Border Management Staff College in Dushanbe, Tajikistan, which integrated it into its own curriculum.

Mercury and uranium: industrial refuse in Central Asia

Hazardous waste is a problem with which Tajikistan is familiar. Highly toxic mercury wastes have in the past often ended up in the environment as a result of mining operations, or simply because household items containing mercury – such as luminescent lamps – found

their way onto regular city dumps rather than specialized waste operations. However, this March, the President has signed a new regulation that provides for the proper collection, storage, utilization, “de-mercurization”, transport, and placement of mercury waste products. The document was drafted in 2010 with the assistance of the OSCE Office in Tajikistan, and in close co-operation with the Committee for Environmental Protection and civil society organizations.

Such toxic waste poses a particular danger when transported downstream from country to country via large water networks. In Central Asia, the Amudarya and Syrdarya River complexes are a vital water source for the population. At the same time, they can also wash dangerous and toxic waste products such as uranium tailings from mining and other industries downriver.

In Uzbekistan, the country’s State Nature Protection Committee and State Committee on Geology and Mineral Resources have worked with the OSCE Project Co-ordinator’s Office in supporting a complex monitoring project of the Syrdarya River basin. The goal of the initiative is to find out more about the environmental impact along the Mayлуу-Suu, Sumsar and Shakhimardan rivers. Among other issues, the project includes seasonal monitoring of the areas, and an assessment of the pollution of surface water and ground sediments. At the end of 2011, the generated data will be compiled into a consolidated database, together with recommendations on how to tackle the potential negative impact on the environment and human health in the area.

Modernize and diversify: new farming methods in Uzbekistan and Turkmenistan

Toxins in the water used for irrigation is a serious problem for Uzbekistan’s farmers. However, it is not the only one; over the last years in particular, water shortage has been an additional difficulty for agriculture in the country. In 2010, the Project Co-ordinator’s Office, together with the national representative of the International Fund for Saving the Aral Sea, trained farmers on the rational use of water resources and on advanced technologies and methodologies of irrigation.

In 2007, the annual OSCE Economic and Environmental Forum focused, among others, on sustainable land

“We do not inherit the earth from our ancestors, we borrow it from our children.”

Native American Proverb

management questions. Since that year, the Project Co-ordinator’s Office also works with the Farmers’ Association of Uzbekistan to train farmers on sustainable development in the context of farming, and to provide them with business skills. Over the years, six regional Information and Resource Centres have been established, through which further training courses are being organized, for instance with Israel’s Mashav Centre for International Co-operation. In 2011, the Centres focused on helping farmers decide to diversify their crops, supplementing the traditional cotton cultivation with horticulture, bee keeping, and fish farming.

Further to the west, in Turkmenistan, land management and crop diversification is also high on the agenda. In Turkmenabat, Lebap region, the OSCE Centre in Ashgabat supports the Crop and Irrigation Diversification Advisory Centre, an office that provides information on sustainable farming to local farmers, students and the local university. To roll back the effects of land degradation, the Centre initiated the building of a small-scale dam in the Ahal region, which protects several mountain villages in the area from mudflows and helps them re-cultivate the land on this territory. It also separates mud from the water, which is collected in a bypass reservoir and reused to irrigate new parcels of land.

Security implications of climate change

The debate on climate change is continuing worldwide, and many argue about the accuracy and validity of the various climate change projections that are being discussed. However, it can be said that the changing pattern of precipitations around the globe and the increase of extreme weather conditions are alarming. In this context, it is important to understand the emerging environmental challenges to security, and the risks associated with potential resource shortages, mass migration, and civil unrest.



Given the complexity of the subject, the OCEEA has embarked on a project to bring more clarity to the debate. Together with the European Environment Agency (EEA), it has prepared a scoping study on the possible security implications of climate change in the OSCE area, analysing the regional impact in the Arctic, southern Mediterranean, South-Eastern and Eastern Europe, South Caucasus, and Central Asia. Direct potential implications, the study showed, are indeed mainly related to the economic and environmental spheres; however, also other security aspects are likely to be affected.

The Climate Change Scenario Project

As a follow-up to the study, the Co-ordinator's Office has started to implement a Climate Change Scenario Project, with the objective to assess the impact of climate change on natural resources, energy and food availability until 2050 in the region of Eastern Europe, Caucasus and Central Asia (EECCA), as well as South-Eastern Europe, the Arctic, and the Mediterranean. Experts and policy-makers from Belarus, Moldova, and Ukraine met in February and May in Kyiv for the first set of workshops focusing on Eastern Europe. They discussed how food security in the region could be

“The Security Council expresses its concern that possible adverse effects of climate change may, in the long run, aggravate certain existing threats to international peace and security”.

Statement by the President of the UN Security Council

affected by climate change under four different scenarios and what measures states should implement in order to mitigate the impact.

The second workshop, organized together with the OSCE Mission to Serbia and the “FUTURA” ecological faculty, is to be held in October in Belgrade and will focus on South-Eastern Europe. The third and last of the set, focusing on Central Asia, is to take place in November.

Surveying climate adaptation in Tajikistan

Another survey, conducted in Tajikistan, focuses on environmental, social and economic implications of climate change for Tajikistan and proposes

various concrete policy options on how to help local communities in remote mountainous areas of the country adapt to such expected changes. The document, which was produced with the support of the OSCE Office in Tajikistan in the second half of 2010, provides an analysis of the national legislation, legal and institutional systems, and existing planning tools. It also gives practical recommendations on how to improve the existing environmental and socio-economic policies towards more sustainable ones.

An engaged civil society

Public participation through civil society organizations has long been recognized as crucial for the success of development initiatives, and so it is for the OSCE's support and awareness-raising programmes in the field of environment and security. One of the most successful ones is CASE, the Civic Action for Security and Environment programme.

A CASE for environment and security

CASE was launched by the Co-ordinator's Office in 2009 as a small grants programme for civil society organizations, and is currently being implemented in Armenia, Azerbaijan, and Tajikistan. Its goals are to increase public and political awareness on the linkages between environment and security; strengthen the technical and administrative capacity of civil society; and provide financial and technical support to civil society organizations for addressing environment and security challenges. National Screening Boards that include representatives of the respective host governments and OSCE field operations, NGOs, and UNDP, decide upon programme implementation in each country.

“Nor was civil society founded merely to preserve the lives of its members; but that they might live well.”

Aristotle (384 BC – 322 BC)

Armenia | 17 projects

In Armenia, the CASE initiative is firmly integrated into the Aarhus Centre programme. It covers a wide array of projects, primarily focusing on environmental education; management of hazardous waste; industrial compliance; the environmental impact of mining; sustainable management of natural resources; development of local environmental action plans; sustainable farming, and eco-journalism initiatives. Among the 17 approved projects feature, for instance, the development of a local environment action plans (so-called “LEAPs”) for Kapan city in the region of Syunik, an area well known for its mining industry; capacity-building for self-government bodies to address environmental problems; and the strengthening of environmental media reporting.

Azerbaijan | 7 projects

The projects chosen in Azerbaijan range from solid and hazardous waste management and natural and man-made disaster preparation, to dealing with the impact of climate change on agriculture, tackling environmental risks, and the impact of the country's mining industry on the environment and local population.

Tajikistan | 8 projects

The eight small grants given to NGOs in Tajikistan cover topics such as community-based risk disaster management; sustainable land management; the rational use of natural resources to strengthen community participation in environmental decision-making; and awareness-raising on radioactive safety.

Meetings and events

2010

November, Vienna CASE practitioners from all three project countries met to exchange experiences with the implementation of the programme and to discuss best practices in their respective areas. Apart from members of UNDP and OSCE field operations, the event brought together representatives of government agencies and NGOs that have obtained grants through CASE, both of whom emphasized the need for more capacity-building work for civil society organizations in their countries.



“Green Packs” have been handed out to students in Ukraine to encourage adoption of a more environmentally friendly life style.

Every word counts: a green media strategy

Public outreach via the media and education can have a tremendous influence on people’s behaviours and lifestyles. In Kazakhstan and Ukraine, the OSCE promotes environmental education through so-called “Green Packs” containing multi-media teaching material. In Ukraine, these packs have been introduced into the school system in 2010, encouraging students to adopt greener life choices and participate in environmental actions. By the end of May 2011, more than 5,000 schools have begun using these Green Packs, and some 300 environmental NGOs work with the material to spread the message further among the general public.

In Kazakhstan, the OSCE Centre in Astana has been working with the Regional Environmental Centre (REC) and its Central Asia office to promote Green Pack CD-ROMs in various regions of the country. A possible inclusion of the Pack in the school curricula is currently being discussed.

Further south, in Uzbekistan, the OSCE Project Co-ordinator is supporting various media projects to strengthen reporting on environmental issues. Targeting TV, radio and online journalists, the OSCE projects aim at increasing the quality and quantity of reports that deal with environmental security, the efficient use of natural resources, and renewable energy alternatives. To provide journalists working on such topics with a broader information base, the Project Co-ordinator’s Office has helped establish a media resource centre

where not only environmental background material, but also expert advice is available. The centre is working from within a local NGO, Ecomaktab, and also receives support from Uzbekistan’s State Committee on the Environment (Goskompriroda).

In addition to these resources, several media tours were organized during which journalists were able to meet experts on environmental issues and familiarize themselves with government policy and the challenges of environmental protection. In 2011, more than 100 journalists from across Uzbekistan are expected to participate in a national contest that will award the best “green coverage”.

A similar approach was used in Serbia, where the OSCE Mission organized a study visit for journalists from 12 media outlets from southwest Serbia to visit Vojvodina province in northern Serbia. The journalists were taken on a tour of the Great Backa Canal, which is one of Europe’s environmental hotspots, met representatives of the Novi Sad city administration to discuss environmental concerns in the province, and finally participated in a contest during which the best spot report on the visit received an award. The Mission also organized a workshop that covered such topics as ethics in environmental journalism; how to resist political pressure as a reporter; communication in disaster situations; and investigative journalism strategies.

Civil engagement works!

Throughout the OSCE region, examples of projects that involve NGOs and civil society organizations or networks of all kinds abound. In South-Eastern Europe, the OSCE field operations in Albania, Bosnia and Herzegovina, and Serbia are regularly working with local initiatives to promote environmental education, governance, and awareness.

In Albania, the OSCE Presence has implemented several ideas on how to reduce pollution from plastic waste in the Vjose valley, an area of outstanding beauty with snow-capped mountains and green pastures. These included setting up a total of 77 waste containers in the area, together with eco-friendly road signs to make people aware of the problems produced by the careless throwing away of plastic garbage. Additionally,



Clean-up day: the Vjosa Valley Eco-club in Albania

five “eco clubs” were set up in schools, local officials and private businesses received training on ecological waste management, and local clean-up exercises helped encourage pro-green volunteerism.

A town in Bosnia and Herzegovina that suffers particularly from pollution and unhealthy gas emissions is Zenica, located in the centre of the country. To help improve the situation there, the OSCE Mission to Bosnia and Herzegovina is working with a local watchdog initiative that monitors compliance of local authorities and companies with environmental standards and advocates for a shift of the existing environmental policies. As part of global Earth Day activities, the Mission runs a Green Mission Campaign, under which it seeks to engage local activists and young people for environmental goals. Last December, the Mission also hosted the first-ever regional OSCE meeting on the environment in South-Eastern Europe, together with the Co-ordinator’s Office. OSCE officials and government experts from Serbia, Montenegro, and Bosnia and Herzegovina, as well as ENVSEC partners, participated in the event.

In neighbouring Serbia, the OSCE Mission launched a web campaign asking for input on sustainable water management and greening of the economy. NGOs from across the country sent in their suggestions, which were included in the preparations for the 7th “Environment for Europe” Ministerial Conference from 21 to 23 September

in Astana. As a result, two workshops were held at which NGO representatives discussed their proposals and set up a joint platform. Eventually, this platform was linked in with other environmental networks in the region and led the Serbian Government to include an NGO representative in the official national delegation to the Astana Conference.

The Aarhus network

Perhaps the most striking thing about Aarhus Centres is that Aarhus itself – a city in north-western Denmark – does not have one. In fact, a more correct – albeit fairly unwieldy – name for these offices, which have

An expanding grid

New offices have joined the already extensive collection of Aarhus Centres in the OSCE region over the last months, bringing the total to 32 in 10 countries.

South-Eastern Europe

Albania	Tirana, Shkodra, and Vlora
Montenegro	New: Podgorica
Serbia	Kragujevac and Subotica

Eastern Europe

Belarus	Minsk
---------	-------

South Caucasus

Armenia	Yerevan, Gavar, Gyumri, Goris, Dilijan, Idjevan, Kapan, Hrazdan, Vanadzor, Yeghegnadzor, Yeghvard, Aparan, Stepanavan, Alaverdi, and Ararat
Azerbaijan	Baku
Georgia	Tbilisi

Central Asia

Kazakhstan	Astana, Atyrau New: Aktau
Kyrgyzstan	Osh
Tajikistan	Dushanbe, Khujand, Kurgan Tyube New: Khorog



Goran Svilanovic, Co-ordinator of OSCE Economic and Environmental Activities, speaks to the media at a conference on the implementation of the Aarhus Convention in Serbia, April 2010

been springing up for more than a decade across the OSCE region, would be Centres Assisting with the Implementation of the Aarhus Convention, because this is precisely what they are doing. The Convention, signed in June 1998 and in force since October 2001, establishes a number of rights of the general public with regard to environmental issues, such as

- to receive environmental information that is held by public authorities;
- to participate in environmental decision-making; and
- to challenge public decisions that have been made without respecting the first two rights, or environmental law in general.

The OSCE has been supporting the growing network of Aarhus Centres for more than ten years. Several new ones have been opened in 2010 and 2011, and from South-Eastern Europe to Central Asia, the Aarhus staff has run dozens of projects to promote good environmental governance and co-operation between the authorities and civil society on environmental questions.

A busy year: Armenia and Georgia

The country with the most expansive reach of Aarhus Centres in the OSCE region is Armenia, with 15 offices overall. They have become one of the main implementation mechanisms of national legislation on environmental governance and platforms for public participation. The Co-ordinator's Office supported the OSCE Office in Yerevan to hold a retreat in late 2010, which allowed not only for information exchange, but was also followed by an assessment of the Centre's legal and institutional setup that was to form the basis for a strategy to ensure sustainability of the Aarhus Centres in Armenia.

Among the many issues covered by the Centres, two stick out: a youth initiative and a media roundtable.

Recognizing that environmental education for young people and students can help increase public participation, the OSCE Office and the Armenian Association of Investigative Journalists created a network of young environmentalists. Through the Aarhus Centres, they have become planners, researchers, evaluators, and advocates for the environment. Having

“[T]he values that animate the Aarhus Convention apply everywhere.”

Kofi Annan,

*UN Secretary-General from 1997 to 2006,
in a message to the second meeting of the parties
to the Aarhus Convention, Almaty, 27 May 2005*

been trained and given a more in-depth understanding of environmental issues, and how to convey them to the wider public, these young men and women are collecting, producing, distributing and exhibiting information from their regions on current environmental events and trends.

In May 2011, a media roundtable was held in Yerevan, as part of a 10-year anniversary event to celebrate the adoption and ratification of the Aarhus Convention by Armenia. The Armenian Association of Investigative Journalists and the Transparency International Anti-Corruption Centre, supported by the OSCE, invited representatives of civil society, state institutions, the Aarhus Convention Secretariat, and international organizations to discuss the progress of implementation of the Convention in Armenia. The event showed a genuine effort by the participants to work together to contribute to the implementation efforts.

In neighbouring Georgia, the Aarhus Centre concentrated mainly on the on-going Environmental Impact Assessment process and capacity-building measures to foster public participation. To this end, it published Assessment reports, information about public hearings, and a variety of policy papers and bills

submitted to Parliament on its website, which is one of the most comprehensive sources of environmental information in the country. As part of its education and awareness-raising programme, the Centre ran several seminars and training courses, and has produced and made ready for broadcast a public service announcement that explains the environmental rights of citizens under the Aarhus Convention. Aside from this, it continued to provide free legal consultancy services and hold public discussions on environmental questions.

Pushing the green envelope: from Kazakhstan to Albania

Further to the east, the OSCE and the three Aarhus Centres in Kazakhstan dealt with environmental security in the context of oil extraction and the release of harmful pollutants. In Atyrau, which is located close to the Caspian Sea and covers three provinces of the ecologically most vulnerable regions of Kazakhstan, the local Aarhus Centre organized a round table meeting to discuss the selection of a future North Caspian Oil Spill

Meetings and events

2010

June, Almaty

Regional co-operation is crucial for the Aarhus Centre network to function effectively, exchange ideas and experiences, and explore new projects and initiatives. To support these efforts, the Co-ordinator's Office supports the holding of regional conferences. The first of this kind for the Central Asian Aarhus offices was held in Kazakhstan last summer. The OCEEA and the OSCE Centre in Astana invited the Aarhus staff from Uzbekistan, Turkmenistan, Tajikistan, Kyrgyzstan, and Kazakhstan to present their activities and plans for the coming year.

December, Sarajevo

In the same spirit, the Co-ordinator's Office and the OSCE Mission set up a regional co-ordination meeting in Bosnia and Herzegovina, which focused on the state of the environment, and implementation of the Aarhus Convention and other multilateral environmental agreements. Government representatives and OSCE field staff from Serbia, Montenegro, and Bosnia and Herzegovina attended the event, as well as members of UNECE and the Regional Environmental Centre (REC).



Students plant trees as part of 2011 Earth Day activities in Bosanski Petrovac, Bosnia and Herzegovina

Response Base. The Co-ordinator's Office and the OSCE Centre in Astana co-sponsored the event, which was followed by further meetings on environmental impact assessments and training seminars on environmental security for journalists and NGO activists.

In the capital, Astana, one of the National Aarhus Centre's key concerns continued to be the ratification by Kazakhstan of the Protocol on Pollutant Release and Transfer Registers, a document adopted in 2003 by the Aarhus Convention parties to reduce pollution levels caused by industry through public involvement.

Back in South-Eastern Europe, the OSCE Mission to Serbia helped draft the country's first national report on the implementation of the Aarhus Convention. The initiative, part of the overall ENVSEC programme in Serbia, was put on as much a participatory footing as possible. In co-operation with the Ministry of Environment, Mining and Spatial Planning, a working group was established that drafted the report. Then, a translated questionnaire developed by UNECE was sent to 47 governmental institutions and 250 nongovernmental organizations to solicit their input. Following this, a public information campaign was held via a popular environmental website (Ekoform) and the sites of various ministries, NGOs, civil society activities, the Chamber of Commerce, and the Aarhus Centre. Finally, round table meetings in five cities across Serbia finished off the process, and the so amended report was submitted to the Serbian Government, which adopted and submitted it to the UNECE Secretariat by the end of 2010.

In Albania, the three Centres there have been busy organizing nearly three dozen training workshops across the country to highlight the legal obligations of Albanian public officials to routinely give citizens the required information on environmental issues, and to consult with them during planning processes. Additionally, the Aarhus Centre in Tirana has held 13 public hearings to discuss several bills prepared by the Albanian Ministry of Environment Forestry and Water Administration, such as drafts for a new environmental law, a law on environmental impact assessments, and a law on integrated solid waste management.

Expanding the grid

Both Moldova and Bosnia and Herzegovina do not host any Aarhus Centres. Notwithstanding this, the OSCE offices in both countries have worked on a range of projects that are part of the efforts to implement the Aarhus Convention and further its goals.

In Bosnia and Herzegovina, the Mission has supported a similar process as the one in Serbia for the production of the Aarhus Convention national implementation report, which is also the country's first. As a follow-up to this effort, the Mission teamed up with eight municipalities and a local NGO to train municipal public servants on Aarhus Convention principles. A manual on implementation of the Convention is also planned.

Earlier, in May 2010, the Mission had wound up a project under which it had promoted a web page of the Department of Environment at the country's Ministry of Foreign Trade and Economic Relations. This was implemented together with the Regional Environment Centre for Central and Eastern Europe.

In Moldova, the OSCE and its ENVSEC partners are working towards establishing an Aarhus Centre in the capital, Chisinau, as well as a Public Environmental Information Centre in Bender, Transdnistria. Last October, the Mission arranged a study visit to the Aarhus Centres in Armenia for Moldovan and Transdnistrian officials. The goal of the visit was to foster the participants' understanding of the role and operation of Aarhus Centres. Additionally, it was hoped that possible future joint activities under the Aarhus umbrella would contribute to developing co-operation and confidence between the two sides.

Building confidence

Confidence-building measures are a cornerstone of the OSCE's efforts to reduce tensions and improve mutual understanding. This also stretches into the economic and environmental dimension, which relies considerably on trust and co-operation of all partners. Often, solutions in this field seem obvious but sometimes, diverging interests and conflicts inherited from the past overlay the actual problems at hand. This is where the OSCE comes in, both as mediator and implementer of concrete projects on the ground.

More mutual trust in Moldova

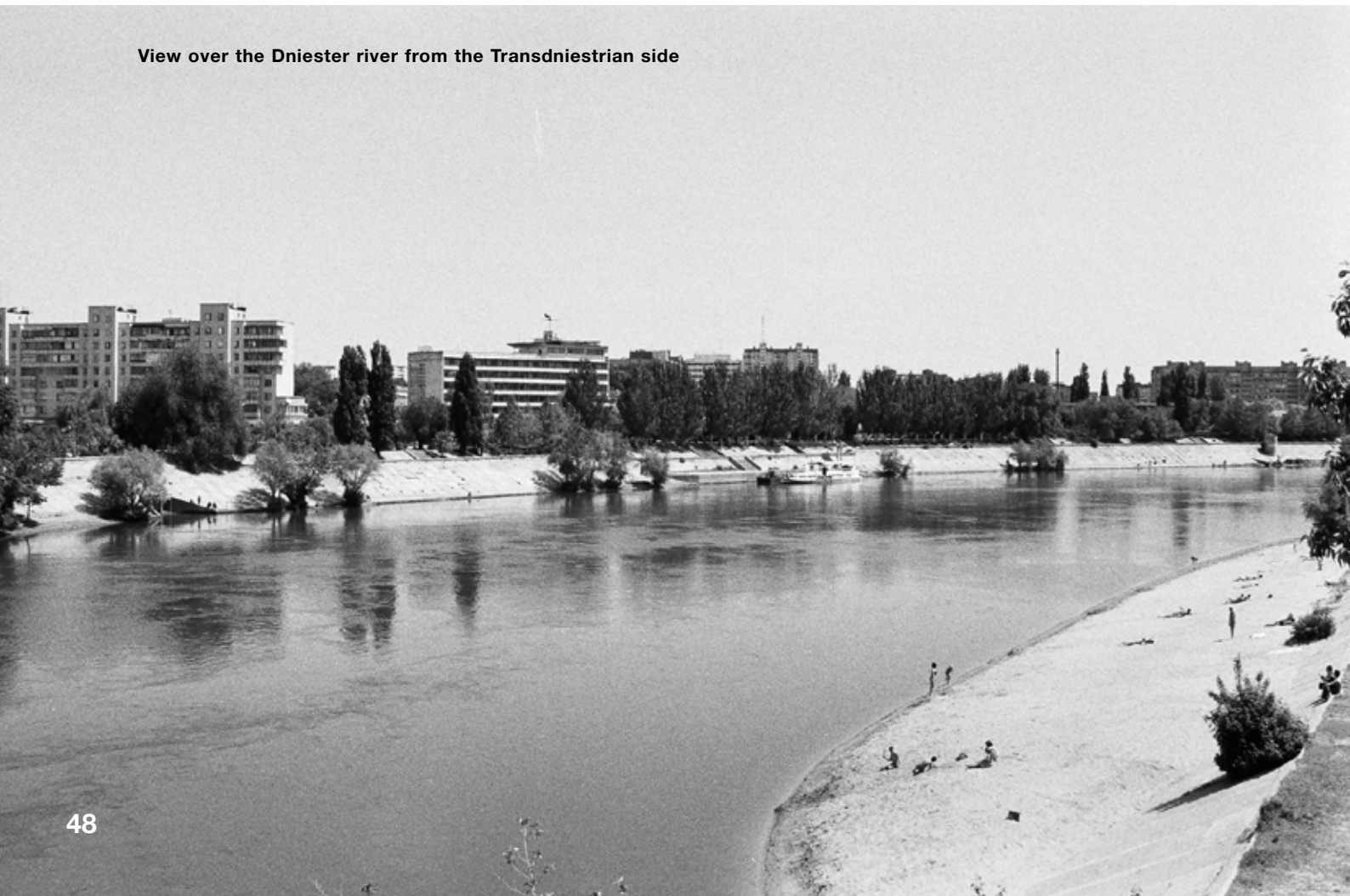
While the OSCE Mission to Moldova does not have an economic and environmental mandate as such, it still supports initiatives that further the settlement process over Transdniestria, and in this context confidence-building is an integral part of its tasks. It does this, among others, by helping joint Moldovan and Transdniestrian working groups, in particular one on agriculture and the economy. Under the ENVSEC Initiative, it is also

developing a project that helps dispose of dangerous pesticides from Transdniestria.

The Mission implements these projects with the communities living on both sides of the Dniester River, which in Romanian is called the Nistru. In July, it funded a summer school that involved 70 young people from both sides of the River and helped them build a dialogue and understanding on environmental issues, and to learn about civil society engagement. The event was organized and run by several environmental non-governmental organizations and led by "Eco-TIRAS – The River Keepers", an NGO based in the country's capital, Chisinau.

In March, the Mission also organized an environmental round table meeting in Vadul-lui-Voda, which was attended by members of the Moldovan and Transdniestrian expert working groups on agriculture and ecology, and representatives of environmental NGOs from both sides of the River. Considering the potential for possible future co-operation of the two

View over the Dniester river from the Transdniestrian side



“The journey of a thousand miles must begin with a single step.”

Chinese proverb

sides, the participants discussed the establishment of Aarhus Centres in the country, the preparations for the Aarhus Convention meeting in Chisinau between 29 June and 1 July 2011, and the OSCE’s project management procedures.

Reconciliation and repair in Kyrgyzstan

Another area where the OSCE’s confidence-building activities are an important effort to work toward reconciliation is southern Kyrgyzstan, where an outbreak of violence in June 2010 left behind considerable distrust among the population. After these events, the OSCE Centre in Bishkek realigned its programme and began focusing on areas that reflect weak governance and directly impact on economic growth, such as the allocation of water and land. The Centre has established networks of local self-governance bodies and water user associations in southern Kyrgyzstan,

trying to improve transparency and administrative efficiency in the allocation of these vital resources. The initiative includes a mentoring programme and small-scale technical support, such as in helping repair irrigation channels. Since autumn 2010, the Centre also supports urban development projects in Osh, southern Kyrgyzstan’s largest city, that take into account the conflict-sensitive environment there. Osh was a key flashpoint in the 2010 unrest.

Meetings and events

2011

May, Vienna Leading practitioners from OSCE Institutions, Field Operations and other international organizations took part in the “Chairmanship Workshop on Economic and Environmental Activities as Confidence-Building Measures” that reflected on the potential and impact of second dimension activities on confidence-building. The event brought together representatives of the OSCE participating States, who shared best practices, successful experiences and accumulated know-how of economic and environmental confidence-building, and discussed further plans and projects to strengthen the OSCE’s mandate in that area. This included, among others, cross-border water co-operation, fire management, and the ENVSEC Initiative. The 2011 Lithuanian OSCE Chairmanship and the Co-ordinator’s Office organized the workshop.

Resources

Publications and web links

Relevant documents

2010-11

Summary note of recommendations and conclusions based on the First and Second Preparatory Meetings of the 19 th Economic and Environmental Forum (September 2011)	osce.org/eea/82194
Permanent Council Decision on theme, agenda and modalities for the 20 th Economic and Environmental Forum (July 2011)	osce.org/pc/81368
Agenda of Second Preparatory Meeting on the development of sustainable transport (April 2011)	osce.org/eea/75689
PC Decision on dates, agenda, mandate and modalities of the Economic and Environmental Dimension Implementation Meeting (March 2011)	osce.org/pc/76457
Consolidated Summary of the First Preparatory Meeting on the development of sustainable energy (March 2011)	osce.org/eea/76114
Agenda of First Preparatory Meeting on the development of sustainable energy (February 2011)	osce.org/eea/75398
PC Decision on strengthening and improving the effectiveness of work in the Economic and Environmental Dimension (November 2010)	osce.org/pc/73646
PC Decision on theme, agenda and modalities of the 19 th EEF (November 2010)	osce.org/pc/73647

Before 2010

Ministerial Decision on the future orientation of the Economic and Environmental Dimension	osce.org/cio/40699
Ministerial Decision on Migration Management (2009)	osce.org/cio/40711
Ministerial Decision on strengthening dialogue and co-operation on energy security in the OSCE area (2009)	osce.org/cio/40708
Ministerial Decision on further OSCE efforts to address transnational threats and challenges to security and stability (2009)	osce.org/cio/40713
Ministerial Decision on follow-up to the 16 th Economic and Environmental Forum on maritime and inland waterways co-operation (2008)	osce.org/mc/35514
Madrid Declaration on Environment and Security	osce.org/mc/29550
Ministerial Decision on follow-up to the 15 th Economic and Environmental Forum: Water Management	osce.org/mc/29446
Ministerial Decision on energy security dialogue in the OSCE (2006)	osce.org/mc/23354
Ministerial Decision on the future transport dialogue in the OSCE (2006)	osce.org/mc/23054
Ministerial Decision on Migration (2005)	osce.org/mc/17339
Border Security and Management Concept (2005)	osce.org/mc/17452

Ministerial Decision on combating transnational organized crime (2005)	osce.org/mc/17419
Ministerial Decision on Combating Corruption (2004)	osce.org/mc/23047
PC Decision on further measures to suppress terrorist financing (2004)	osce.org/pc/35014
Maastricht Strategy Document for the OSCE Economic and Environmental Dimension (2003)	osce.org/eea/20705
PC Decision on Financial Action Task Force self-assessments on terrorist financing (2002)	osce.org/pc/12938

More information and further documents can be found on [osce.org/eea](https://www.osce.org/eea)

Additional resources

Fight against corruption, money laundering and terrorist financing

40+9 Recommendations of the Financial Action Task Force	osce.org/eea/82194
UN Convention for the Suppression of the Financing of Terrorism	osce.org/pc/81368
UN Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances	osce.org/eea/75689
European Union Anti-Money Laundering Directives	osce.org/pc/76457
Report on round table “On the road to Marrakesh: role of civil society in fighting corruption”, 5 July 2011	osce.org/eea/76114

Managing migration

Trainer’s Manual with Training Modules on Labour Migration Management (February 2011, in English and Russian)	Complements OSCE handbook on labour migration management	Request via osce.org/eea/75538
Training manual on Gender and Labour Migration (April 2010, also in Russian)	Complements the Guide on Gender Sensitive Labour Migration and is meant as guidance for trainers	osce.org/eea/67967
Strengthening Migration Governance (November 2009)	Summary of key dynamics of migration in the OSCE region, review of international legal framework and OSCE commitments on international migration	osce.org/eea/72021
Guide on Gender Sensitive Labour Migration (May 2009, also in Russian)	Best practice guide that provides suggestions on how to develop more gender-sensitive labour migration policies and programmes	osce.org/eea/37228
Impact of the Global Financial Crisis on Labour Migration from Kyrgyzstan to Russia (2009, also in Russian)	Summarizes results of a survey on labour migration	osce.org/bishkek/40540
Handbook on Establishing Effective Labour Migration Policies in Countries of Origin and Destination (May 2006, November 2007, also in Arabic, Albanian, French, and Russian)	Comprehensive overview of labour migration policies, solutions and practical measures for more effective migration management in countries of origin and destination.	Download via osce.org/eea/19242
More documents on migration management		osce.org/eea/45045

Environmental Security and Co-operation

OCEEA's Climate Change Scenario Project	osce.org/eea/climatechange
Joint Moldova-Ukraine pilot geo-information system	http://enrin.grida.no/dniester
Dniester River website	dniester.org

Giving credit

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Acronyms and abbreviations

COSCE	Working Party on the OSCE and the Council of Europe
DFID	United Kingdom's Department for International Development
EBRD	European Bank for Reconstruction and Development
EEA	European Environment Agency
EEC	Economic and Environmental Committee
EECCA	Eastern Europe, Caucasus and Central Asia
FIU	Financial Intelligence Unit
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Society for International Co-operation)
IFAS	International Fund for Saving the Aral Sea
ILO	International Labour Organization
IWRM	Integrated Water Resource Management
MONEYVAL	Council of Europe's Committee of Experts on the Evaluation of Anti-Money Laundering Measures and Financing of Terrorism
NALAS	Network of Associations of Local Authorities of South East Europe
NGO	non-governmental organization
OCEEA	Office of the OSCE Co-ordinator of Economic and Environmental Activities
ODIHR	OSCE Office for Democratic Institutions and Human Rights
OECD	Organisation for Economic Co-operation and Development
RCC	Regional Co-operation Council
UNCAC	United Nations Convention against Corruption
UNCITRAL	UN Commission on International Trade Law
UNCTAD	UN Conference on Trade and Development
UNDP	UN Development Programme
UNECE	UN Economic Commission for Europe
UNEP	UN Environment Programme
UNFPA	UN Population Fund
UNHCR	UN High Commissioner for Refugees
UNODC	UN Office on Drugs and Crime
USAID	United States Agency for International Development
VEC	Vienna Energy Club
WCO	World Customs Organization

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