



CLOSING STATEMENT
at the 14th OSCE Economic Forum
by Pierre Chevalier
Special Envoy of the OSCE Chairman-in-Office
Prague, 24 May 2006

Excellencies,

Ladies and Gentlemen,

We have arrived at the point of closure of the Second Segment of the FOURTEENTH OSCE ECONOMIC FORUM. I would like to remind delegations that the media is allowed to be present during my statement.

Without further delay, let me deliver my closing statement.

In line with Decision 684 of the Permanent Council of 7 July 2005, the Chairmanship now presents the summary conclusions and policy recommendations drawn from the discussions. For ease of reference, they are structured to follow the agenda of this Forum. There are seven items.

First, co-operation with the UNECE.

As we have witnessed over the last two days, there is scope for growth of this natural alliance. The United Nations Economic Commission for Europe brings mature legal instruments ready for

ratification and implementation. The OSCE brings political leverage and a wide field presence. This could become the object of an OSCE decision laying the groundwork for co-operation with the UNECE specifically in the field of transportation.

We heard of a methodology proposed to monitor the effective implementation of commitments undertaken by countries, and, as appropriate, to enhance capacities in this respect. Elements of this might be included in an OSCE decision, as just mentioned. Meanwhile, there is a strong basis for pursuing the pilot project pertaining specifically to UNECE's "International Convention on the Harmonization of Frontier Controls of Goods" of 21 October 1982. The OSCE-UNECE Memorandum of 2004 provides a perfect formal basis for this. If successful, the model could be applied to other conventions.

Finally, the UNECE presented to us its projects for international transport networks: the Eurasian links and the Trans-European Motorways and Trans-European Railways initiatives. These links are of crucial importance for the economic and commercial development of large parts of the OSCE area. These are projects that require political will and financial investments by interested stakeholders. The Brussels OSCE Ministerial Council Meeting has been called on to prepare the ground by generating political consensus among the OSCE participating States.

Second, long-term dialogue.

Delegations recognized that the OSCE is an organization for long-term dialogue based on shared principles and objectives. Hence, the OSCE should consider ways and means to continue the dialogue beyond the Fourteenth Economic Forum. The Chairmanship considers that the OSCE Strategy Document for the Economic and Environmental Dimension adopted in Maastricht in 2003 is the right basis for this. One idea is to hold a review of the progress achieved, either in the framework of a future Economic Forum or by organizing a review conference. This idea should be further pursued.

Third, landlocked countries.

The challenges faced by the landlocked OSCE participating States have been reiterated during this Forum, not least by our friends from Central Asia, who spoke to this issue with one voice. The need for co-operation and partnerships to improve transit potential and access to markets is evident.

Three follow-up actions have been recommended that could easily be pursued :

- Lend political and practical support to the implementation of the Almaty Programme of Action;
- Develop means of co-operation with the competent UN High Representative, also in the framework of the mid-term review, due possibly in 2008;
- Hold the transit conference proposed by Tajikistan in 2007.

Fourth, the key role of governance

The OSCE Maastricht Strategy of 2003 (para. 2.2) reconfirmed the importance of good public and corporate governance. Transparency in public affairs and the elimination of all forms of corruption are essential for prosperous economies. During this Forum, several steps were taken in this regard.

The Best Practice Guide for a Positive Business and Investment Climate was launched. The OSCE participating States and OSCE structures and field presences should feel encouraged to actively promote and implement this guide.

The World Customs Organization invited the OSCE to support the implementation of its Framework of Standards to Secure and Facilitate Global Trade. It called on the OSCE to foster political will and envisage capacity-building activities similar to those being proposed with the UNECE.

The OSCE's own Border Security and Management Concept, we know, can also be applied to improve governance at the borders and facilitate trade.

Finally, it was proposed that public-private co-operation should be reinforced. The suggestion for organizing round tables with business communities to promote transparency and address corruption issues could count on wide support and hence should be implemented.

Fifth, security.

With regard to transport security issues and standards, more co-ordination and exchange of best practices appear to be needed. The workshop on urban transport security held in Vienna in early May, which brought the private and public sectors together, was a perfect illustration of this.

It was proposed that the OSCE would organize a yearly stocktaking meeting on transport security to identify evolving challenges and opportunities in all transportation modes or in selected modes. Alternatively, a working group was suggested. A decision to this effect is clearly recommended.

Belgium offers the expertise of the Antwerp Flanders Port Training Centre to train experts in the field of maritime security. If there is interest in this idea, training activities could be developed in close co-operation with the International Maritime Organization, the International Labour Organization and the Action Against Terrorism Unit of the OSCE.

France has proposed that the Ministerial Council should adopt a decision on combating illicit trafficking of small arms and light weapons via air transport. We have seen the possible merits of such an approach, and reflection is going on about the right OSCE structure to handle this project. For its part, the Chairmanship supports the French proposal for adoption of an appropriate decision by the end of this year.

Sixth, conflict management.

The true spirit of the OSCE requires that its three different dimensions mutually support each other. In this vein, we discussed how the rehabilitation of transport infrastructure and the reopening of roads and railways can help restore confidence in areas affected by protracted conflicts, either as part of a settlement process or as a result of it.

No doubt, the OSCE will always be found ready to support forward-looking projects, confidence-building measures and, generally, all attempts to open co-operation channels that increase the chances for peaceful settlement of conflicts in accordance with the OSCE norms and principles. The point is that everything must be done to encourage parties to a conflict to envisage complementary ways to overcome their differences. One possible contribution in this respect is to lay emphasis on the economic and social interests they have in common in addition to, or alongside, the reasons lying at the basis of the conflict itself.

The OSCE stands prepared to act at the request of the parties.

The economic Needs Assessment Study conducted for South Ossetia/ Georgia is a case in point. A package of socio-economic rehabilitation projects has been prepared. It includes improvements in transportation infrastructure and opportunities. It is ready to be funded and implemented over the coming months. The Belgian Chairmanship is committed to its success. To this end, it will :

- Host a donor conference in Brussels on 14 June;
- Provide a substantial financial contribution;
- Strive to maintain the necessary political and organizational conditions for receiving the pledges and implementing the projects.

The participating States are also called upon to contribute.

What is being done in South Ossetia may be attempted elsewhere, if parties think it is useful and helpful. We heard about the railroad

project running from Sochi, Russia, crossing Abkhazia and going on to Tbilisi and Yerevan. A commercial venture has been established, and it has been suggested that support might be requested from the international community. It is the OSCE's mandate and responsibility to encourage thinking along the lines of co-operative peace-building projects.

Seventh, the environment

Choices made in regard to necessary types of infrastructure and modes of transportation ought to take into account the protection of the environment. The Maastricht Strategy lays these principles out very clearly and enjoins Governments of participating States to act accordingly.

Follow-up activities have been identified. One cluster concerns the Aarhus Convention, where the OSCE can support and encourage the operation of Aarhus Centres. Another cluster relates to the Basel Convention on Hazardous Waste. A third one concerns the development of legislation on the protection of the environment. The Environment and Security Initiative, placed under OSCE leadership, should for its part integrate transport into its standard assessments of cross-border risks to the environment.

The proposal of Norway to share its experience in reconciling transport, environment and security in the fragile Nordic and Euro-Barents region was welcomed. The Co-ordinator of OSCE Economic and Environmental Activities will undoubtedly follow this up, possibly with a specific workshop.

So, these were the seven items.

Let me add that, with this rich harvest of proposals, the Fourteenth Economic Forum seems to have done what was expected of it: It has displayed political will and provided guidance for the work ahead. The feeling of the Chairmanship is that the preparatory

work has been solid, that the proposals enjoy wide support from the delegations, and that they should be carried forward by our collective efforts and through the normal decision-making procedures.

I would now like to address a traditional duty of the incumbent Chairmanship. As the Fourteenth Economic Forum draws to a close, attention might by necessity be directed towards the preparation of the following one, to take place under the Spanish Chairmanship. We are apprised of the theme proposed by Spain for the Fifteenth Economic Forum, namely, "Key challenges to ensure environmental security and sustainable development in the OSCE area: land degradation, soil contamination and water management". Judging from reactions by delegations and consultations on the margins of this meeting, I think we can say that it enjoys the largest measure of support. It looks as though this is work starting under the best of auspices, and we wish Spain all the best in its endeavour.

You have heard the Chairperson's closing statement, the text of which will be attached to the journal of the day. The written reports of all the rapporteurs, as well as the Chairperson's concluding remarks, will be assembled by the Secretariat in a Consolidated Summary of the Second Segment of the Fourteenth Economic Forum and will be distributed in due course.

Your excellencies, ladies and gentlemen,

We have come to the end of the Fourteenth Meeting of the Economic Forum. I would like to thank all the participants in the Meeting for their contributions to its success. The next Meeting of the Economic Forum will be held in 2007 under the Chairmanship of Spain, in its capacity as OSCE Chairmanship-in-Office. We look forward to this and to other important events in the OSCE's economic and environmental dimension.

I thank the keynote speakers, moderators and rapporteurs, the Coordinator of OSCE Economic and Environmental Activities and his Office, the OSCE Prague Office, the OSCE Conference Services and the interpreters.

I hereby declare the FOURTEENTH MEETING OF THE OSCE ECONOMIC FORUM closed.

Thank you for your participation.