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Organization for Security and Co-operation in Europe

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

Vienna, 06 May 2005

To: All OSCE Delegations
Partners for Co-operation
Mediterranean Partners for Co-operation

Subject: **43rd Meeting of the Economic and Environmental
Sub-Committee of the Permanent Council
Item 4: Activity Report by the CoEEA**

Please find attached the Report of activities of the Office of the Co-ordinator of OSCE Economic and Environmental Activities.



Organization for Security and Co-operation in Europe

The Secretariat

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

Vienna, 06 May 2005

43rd Meeting of the Economic and Environmental Sub-Committee of the Permanent Council Vienna, 15 April 2005

Item 4 - Activity Report by the CoEEA

Economic Activities

Anti Money Laundering Workshop in Yerevan - 5 May 2005

The establishment of a financial intelligence unit to help fight money laundering and the financing of terrorism was the focus of a workshop organized by the OSCE in Yerevan on 5 May.

Representatives of the National Assembly, the Government, the President's Office and the Central Bank, as well as international organizations and NGOs, discussed international standards and good practices existing in the field and the work of the national Financial Monitoring Unit, established within the Central Bank of Armenia under a recent law.

The conference follows a series of workshops organized with the support of the OSCE in 2003 and 2004. They offered recommendations that were used in adopting laws and amendments to provide a legal framework to effectively fight money laundering and the financing of terrorism.

The participants also discussed the need for better information exchange and the role of international organizations, including the OSCE, the United Nations, the Council of Europe and the Egmont Group of financial intelligence units.

The event was jointly organized by the OSCE Office in Yerevan and the Office of the Co-ordinator of OSCE Economic and Environmental Activities, the United Nations Office on Drugs and Crime, the Armenian General Prosecutor's Office and the Central Bank of Armenia.

Anti Money Laundering Workshop in Tbilisi – 3 May 2005

The OCEEAA in co-operation with the OSCE Mission in Georgia, the Georgian government and UNODC organised a one-day workshop in Tbilisi on 3 May, which focused on developing measures to combat money laundering. The WS included international crime-fighting experts from Belgium, Latvia and the UK who worked with Georgian officials to increase capacity at the Georgian Financial Monitoring Unit. The workshop built upon the

recommendations made at the first OSCE anti-money-laundering workshop held in Tbilisi in November 2004.

Participants considered practical ways to tighten Georgia's existing initiatives, including the effective analysis of financial data to identify incriminating evidence.

The National Bank of Georgia, the Ministry of Finance, the Georgian Financial Monitoring Service, the General Prosecutor's Office of Georgia and members of Parliament were represented at the conference.

UNECE-OSCE Expert workshop on Early Warning Mechanism – 26 April 2005

On 26 April 2005, the OCEEA met with UNECE experts in Geneva to further discuss an Economic Early Warning Mechanism and prepare concept recommendations for consideration by pS. A report on this meeting is being prepared by the hosts, UNECE, and will be available at the next EESC.

Meeting with IBLF – 18 April 2005

On 18 April, OCEEA staff held consultations with an existing programme partner International Business Leaders Forum (IBLF) in London and explored new opportunities for cooperation in the area of youth economic empowerment. OCEEA met with IBLF's Youth Business International (YBI) to explore if this program, which supports youth entrepreneurship, could be brought to the OSCE regions. The YBI model is seen as complementing OCEEA's Youth Entrepreneurship Seminar (YES) Programme and could bring additional resources, e.g.: business mentors and start-up capital, to better foster youth economic empowerment in transition countries. OCEEA will consult with the Economic Officers in the OSCE field missions to determine in which countries YBI implementation could be feasible.

Meeting with EBRD – 18 April 2005

An informational meeting was held with EBRD's Central Asia Director to learn of existing private sector development challenges and discuss needs and opportunities in the area of youth economic empowerment, specifically in Tajikistan. The aim of the meeting with Mr. Masaru Honma, Director for Central Asia, EBRD was to follow-up on discussions initiated by the Co/EEA at an OSCE and EBRD meeting on 1 March 2005. The OCEEA was interested in particular to discuss EBRD's support to entrepreneurship development in the micro and SME sector in Tajikistan, and explore possible future cooperation in facilitating improved youth economic empowerment in the country.

Since 2003, EBRD has made development of micro businesses and SMEs, one of the pillars of its operational strategy in the development of the private sector in Tajikistan.

In the discussion on the local business climate and availability of support services to businesses and potential entrepreneurs the following issues emerged:

- Weak business support structures
- High level of corruption hampering business development
- Need to strengthen the domestic banking sector, and continue training of credit officers to advice and service businesses.

Based on the discussions, OCEEA will undertake the following actions:

1. Organize a meeting with Mr. Pillonel, Head of the EBRD office in Tajikistan, at the OSCE Economic Forum to discuss (a) the possibility of organizing an awareness raising seminar for farmers interested in applying for EBRD supported micro-financing through the Agro Investment Bank, and (b) the need for developing business support services such as business incubators, business associations and information materials for start-ups and young entrepreneurs; (c) the Business Advisory Service of EBRD; and (d) further activities supporting better transparency and good governance related to the development of the micro and SME sector.
2. Contact the OSCE Centers in Dushanbe and Bishkek to further discuss the OSCE role in facilitating the improvement of business services, structures and initiatives with the purpose of supporting in particular young people in business or wishing to set up their own business.

Environmental Activities

Local Sava Actors meeting – 9 to 11 May 2005

An OSCE workshop aimed at improving water resource management of the Sava river was held in Sisak from 9 to 11 May. Representatives of the municipalities of Zagreb, Sisak, Slavonski Brod, Karlovac, Ozalj, Jasenovac, Dvor as well as leading environmental NGOs took part in the workshop.

The event, entitled "Ensuring the quality and quantity of fresh water in the Sava River Basin," was organized by the Office of the Co-ordinator of OSCE Economic and Environmental Activities and the United Nations Institute for Training and Research (UNITAR).

The workshop follows a similar one organized in Brcko in October 2004, and aims to create a network of local actors who will share their knowledge in tackling common problems such as access to fresh water and pollution prevention

After a third workshop will take place in Serbia and Montenegro, transboundary aspects of water management will be discussed at a regional meeting which will pave the way to cross border co-operation and the development of a regional strategy.

United Nations Convention to Combat Desertification (UNCCD) – Committee for the Review of the Implementation of the Convention – 10 May 2005

The OCEEA, upon the invitation of the UNCCD, participated at the annual meeting of the Committee for the Review of the Implementation of the Convention (CRIC) on 10 May 2005. UNCCD became involved with OSCE following the invitation to the UNCCD by the OCEEA at the 2nd preparatory meeting in Kazakhstan on migration and security.

During the CRIC country Parties focused on national reports submitted by affected countries to the Convention. CRIC also touched on some specific issues that are of global concern to all UNCCD country Parties and were considered worthwhile to be highlighted through conferences such as the CRIC. The UNCCD Secretariat is following a format of presentations for national reports and separate panel discussions, one of them being on land degradation and desertification and their impact on migration.

A representative of the OCEEA presented a brief overview of OSCE activities in the area of environmental security (EnvSec), introduced participants to recommendations from preparatory seminar in Almaty and stressed the benefits of co-operation with partner organisations active in the field of environmental degradation.

Strengthening the OSCE

Panel of Eminent Persons - 4 May 2005

Upon invitation of the Chair of the Panel of Eminent Persons, H.E. Ambassador Vollebæk, the COEEA made a presentation on the Economic and Environmental dimension, followed by a question-answer session, to the Panel of Eminent Persons that met in Brussels, Belgium on May 4.