



Organization for Security and Co-operation in Europe
The Secretariat

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

Prague, 24 May 2005

Thirteenth OSCE Economic Forum

**“Demographic Trends, Migration and Integrating Persons belonging to National Minorities:
Ensuring Security and Sustainable Development in the OSCE area”**

Presentation of 2004/2005 Activity Report

by

Marcin Świącicki

Ladies and Gentlemen,
Excellencies,

I have the honour and pleasure to present to you the latest annual report on OSCE activities in the economic and environmental dimension which was distributed under the reference number EF.GAL10/05.

Over the past year, there have been a number of developments in the economic and environmental sphere and one could not fail to notice that the 55 participating States have gradually been enhancing the role of the second dimension.

The present report reflects the increasingly programmatic approach of the second dimension.

Co-operation with the UNECE

In the Strategy Document for the Economic and Environmental Dimension, which was adopted at the Ministerial Council in Maastricht in December 2003, the participating States tasked the OSCE Secretary General to conclude an arrangement with the UNECE on closer co-operation between the two organisations.

Throughout 2004, the two Secretariats negotiated a Memorandum of Understanding that was signed at the Ministerial Council in Sofia in December 2004 by the Executive Secretary of the UNECE and the OSCE General Secretary.

As a first result of this co-operation, the current review session at this Forum on commitments taken by the Participating States within the Economic and Environmental Dimension, received a new format: it was extended to an entire day and thus provides an opportunity to review in-depth the implementation of commitments within the selected cluster on integration, trade and transport.

Another area of close co-operation with the UNECE, developing an early warning mechanism for the economic and environmental dimension, has so far, after several workshops and video conferences, resulted in a concept paper of a possible system, which intends to point out to OSCE participating States threats stemming from economic and environmental factors at an early stage with suggestions for possible action.

12th Economic Forum

Last year's Economic Forum highlighted the importance of SME development, foreign investment as well as human capital for the effective functioning of a market economy.

The Forum also emphasized the importance of the public-private dialogue and of the partnership with the business community for institutional and human capacity-building.

Based on the Forum's recommendations, building upon its previous involvement and expertise, and following the guidance received through the Economic and Environmental Sub-Committee, my Office identified a number of follow-up activities and tried to promote a more programmatic approach with regard to SME development, foreign and domestic investment and human capacity building.

We supported several field presences in organising workshops on streamlining SME legislation and training devoted to SME development.

The concept of the OSCE Guide on Best Conditions for Enhancing Business and Investment Climate was developed, fund raising successfully concluded and the next phase entered in soliciting authors.

Among other concrete activities let me mention the Central Asia Applied Research network, which was launched together with the OSCE Academy in Bishkek and the Eurasia Foundation. The Central Asia Applied Research Network brings the research needs of the private and public sectors to the economics curricula of universities in Central Asia.

Good Governance:

The Ministerial Council Meeting in Sofia in December 2004 adopted a Decision on Combating Corruption which reiterated the importance of good governance and the fight against corruption.

Improving managing of public resources at local level aimed at municipalities implemented in Albania, Bosnia and Herzegovina and prepared in Azerbaijan.

Over the past few years, the OCEEA has developed a range of projects which address the issue. The OCEEA focuses its attention on the promotion and implementation of international standards and conventions against corruption, the strengthening of public administration systems etc.

Moreover, the Strategy Document calls for a continuation of activities aimed at developing, implementing and enforcing financial legislation and regulations on combating money laundering and the financing of terrorism. Towards this end, the OCEEA has formed partnerships with international organizations that are active in the fight against corruption, above all the Council of Europe, the OECD, UNDP and UNODC.

OSCE field presences are closely cooperating with the United Nations Office on Drugs and Crime (UNODC) in promoting the ratification and early implementation of the UN Convention against Corruption signed in 2003.

Among the concrete results in the area of Good Governance is the OSCE Handbook on “Best Practices in Combating Corruption” which was published in 2004 and has been met with very strong demand from across the entire OSCE area.

The initial English and Russian editions were soon followed by Albanian, Serbian and Uzbek versions, with Georgian, Croatian and several other translations either already underway or under consideration, such as a Polish version. The handbook has been widely distributed to government officials, NGOs, academics, as well as the media and has been used in a number of workshops organized by OSCE field presences and other international organizations.

Also in the area of good governance, the OCEEA has deepened its co-operation with UNODC by continuing to support participating States in their efforts to strengthen their ability to fight money laundering, to prevent and suppress terrorist financing. Among the states in which the OCEEA organised workshops in 2004 and the first half of 2005 were Armenia, Georgia, Kazakhstan and Kyrgyzstan.

Combating Trafficking in Human Beings

My office has also continued to implement the Anti-Trafficking Programme presented to participating States and potential donors at last year's Economic Forum. The basis for this programme was The OSCE Action Plan to Combat Trafficking in Human Beings which was endorsed by the Maastricht Ministerial Council Decision No. 2.

Following this guidance and in line with the recommendations stemming from the 11th OSCE Economic Forum on Trafficking, the OCEEA has launched a three year Anti- Trafficking Programme on Public-Private Co-operation in the Prevention of Trafficking in Human Beings.

The objective of the Programme is to implement preventive measures that discourage the demand and ameliorate those conditions that make women and children particularly vulnerable to trafficking in human beings.

In this regard, the Programme strives to mobilize the private sector's contribution to combating trafficking by establishing private-public partnerships among the business community, NGOs and governments.

At present, 8 projects activities have been implemented in 7 OSCE participating States.

The Programme places particular emphasis on mobilising the private sector's participation in helping combat trafficking. We have promoted the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism among companies that operate in South-Eastern Europe.

My office has also launched pilot projects that aim at providing professional experience for vulnerable population groups in Ukraine (notably for orphans) and in Romania.

Youth Entrepreneurship Seminars

Traditionally, the YES Programme has been a training activity that targets young people aged 15 to 25 and provides them with the fundamental elements of starting a business. The YES Programme aims not only at promoting entrepreneurship among the young but also to stimulate youth participation in the political and economic reforms process in their countries.

Over the years, the YES training has evolved to become more targeted and in-depth to meet local needs for entrepreneurial education.

In addition, in some OSCE mission areas, business plan competitions have complemented the entrepreneurial trainings and additional advisory services have been offered for their preparation.

The OCEEA continues to support the replication of the entrepreneurial trainings throughout the OSCE mission areas as an economic empowerment activity and as a means to cultivate private sector development in transition economies.

Efforts are being made to incorporate entrepreneurship education into the local institutional structures to provide access to a broader segment of the local population.

Countries where the Yes programme has been implemented include Albania, Azerbaijan, Bosnia and Herzegovina, Georgia, Serbia and Montenegro, Uzbekistan.

ENVSEC

The Environment and Security Initiative (ENVSEC), launched in 2003, in co-operation with the United Nations Environmental Programme (UNEP) and the United Nations Development Programme (UNDP), has advanced significantly in all three regions of activity: in Central Asia, the Southern Caucasus and the Western Balkans.

In Central Asia the first phase aimed at identification of hot spots has been concluded. The in-depth assessment of environment-related security issues in the Ferghana Valley in Central Asia resulted in the development of concrete follow up activities addressing several environmental hot spots, like e.g. uranium mining, waste disposal, sound management of small rivers.

In the Southern Caucasus, hot spots were identified and described, as well as inter-institutional co-operation advanced.

In South Eastern Europe, the work on specific hot spots has continued.

In the environmental area, besides the ongoing Environment and Security Initiative, the OCEEA has continued a number of water management projects as a follow up to the 10th Economic Forum.

For example, the South Caucasus river monitoring project has entered its third year of implementation while the Commission on the rivers Chu and Tallas has finally been set up. Similar projects are being implemented with regard to the Sava River and Dniestr River.

These are examples of how the OSCE can play a role in terms of building transboundary confidence and facilitating regional co-operation.

The OCEEA has also been very active in promoting environmental awareness, facilitating citizen's access to information about environmental matters and supporting their participation in environmental decision making. Aarhus centres have opened in Armenia, Azerbaijan, Tajikistan and Kyrgyzstan and more planned in 2005 in Belarus, Kazakhstan, Georgia.

Conclusion

I do not intend to elaborate on the other regular activities of the OCEEA, with which most of you are familiar, such as organizing preparatory seminars and the Annual Economic Forum under the leadership of the OSCE Chairmanship, supporting the Chairmanship in preparing meetings of the Economic and Environmental Subcommittee to the Permanent Council and more.

Altogether there were more than two hundred events, seminars, training, conferences, workshops on economic and environmental issues organized by OSCE field presences and/ or the OCEEA between May 2004 and April 2005.

I believe that all of them contributed to an increased international dialogue, awareness rising and institutional capacity building on economic and environmental issues at the heart of the OSCE's second dimension.

Let me stop there and invite you all to enjoy your lunch, after which we will continue the Review session.

After lunch we shall be going into more depth with regard to the various commitments of trade, integration and transport. The afternoon session will start at 14.30 and I hope to see you there...

Thank you.