



Organization for Security and Co-operation in Europe
Secretariat

Activity Report

June 2003 - May 2004

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



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1. Introduction by the Co-ordinator of OSCE Economic and Environmental Activities

Dear readers,

I have the honour and pleasure to present to you, the OSCE participating States and all our partners, the annual report on OSCE activities in the economic and environmental dimension. We have slightly revised the lay-out with the aim of helping you find the contributions you are most interested in. Let me therefore just make a few introductory remarks of a general nature.

To meet the new challenges to security in the 21st century, the OSCE Ministerial Council held in Maastricht in December 2003 enriched the OSCE community with a new Strategy Document for the Economic and Environmental Dimension. This document will have a decisive role in shaping future economic and environmental activities of the OSCE. Although the full impact of the Strategy Document will be visible only after a new approach to the review of the implementation of commitments and early warning begins to operate, there are already a number of activities in support of the implementation of the new Document. The three preparatory seminars held in the run-up to the 12th Economic Forum in May-June 2004 – on SME development, investment and human capital – corresponded closely to the objectives of the Strategy Document. The same can be said about the conference on globalisation organised in Vienna in July 2003, a special Permanent Council meeting on economic integration processes in the OSCE region, as well as activities designed to improve public governance, such as a booklet published on best practices in combating corruption, and efforts to introduce the teaching of business ethics at academic institutions in the OSCE area.

My Office also continued, as a follow up to previous Economic Fora, three projects on water management (on the rivers Chu and Talas, in the Southern Caucasus and on the river Sava) with a new project planned to be launched in 2004 on the river Dniestr between Ukraine and Moldova. Following the 11th Economic Forum, we have organised a range of activities supporting the fight against trafficking in human beings and have developed a programme on anti-trafficking which will be implemented over a three-year period.

Whenever the OSCE is engaging in discussions about future activities, whether internally or with partner organisations, one issue almost inevitably comes to the fore: the relevance of finding a niche for the organisation's activities, to avoid the risk of duplication. The activities presented in this report reflect this thinking, underlining the role the OSCE can play in the economic and environmental spheres. Specific activities addressing economic and environmental needs, such as workshops on anti money laundering or the mapping of environmental threats to security (within the framework of the Environment and Security Initiative ENVSEC), are examples of the small but important contribution of the OSCE to peace and stability. Moreover, many of our activities have been conducted jointly with partner organisations such as the UNECE, UNODC, UNDP, UNEP and NATO. Whenever we are developing new activities in areas in which other organisations are already active, it is indispensable to ask in what way the OSCE can add value to ongoing activities. One of our aims is therefore to target particularly vulnerable groups of society, such as people living in border areas and ethnic minorities. One example in this context is the Youth Entrepreneurship Seminars (YES Programme) which targets among others sections of the population vulnerable to human trafficking. In other instances we are reinforcing ongoing activities by other organisations with the aim of increasing the impact by pulling on the same string, for example when supporting the implementation of the UN Convention on Corruption which was adopted in December 2003.

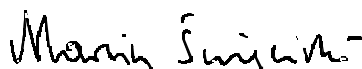
Introduction

Many of our seminars and conferences also serve the important purpose of awareness raising about issues that pose a distinct threat to security, such as growing economic discrepancies, the threat of new regional divisions, obstacles to trade, development and investment and environmental degradation. By launching and encouraging a dialog, we endeavour to mobilise states, NGOs, international organisations and the public opinion to do more in overcoming shortcomings in areas such as good governance, management of public resources, the fight against trafficking in human beings or the environment. Many of the events we organised over the past year serve the purpose of disseminating best practices. The events described in this report were both organised by my Office and the 18 OSCE field presences and due to their sheer quantity, not all could be reflected in this report. We have therefore selected the most relevant ones which we believe had the biggest impact.

Let me finally mention the support my Office has provided to the OSCE Chairmanship in organising fourteen meetings of the Economic and Environmental Subcommittee between June 2003 and May 2004, a Conference on Globalisation, a Special Permanent Council meeting on integration as well as numerous contributions of OCEEA staff to international conferences devoted to economic and environmental aspects of security.

Co-operation with partner organisations has become an increasingly important tool in our work. This is why the OSCE has formalised the co-operation with other organisations active in the economic and environmental dimension, for example by signing a Memorandum of Understanding with UNEP and UNDP on the Environment and Security Initiative ENVSEC, by exchanging letters of interest on modalities of exchange of information with the EBRD, and by setting up a joint Task Force with the UNECE on closer co-operation, especially on the format of the review of commitments during our annual Economic Forum.

I do believe that the OSCE activities in the economic and environmental areas made a difference to security. I am also aware that our contribution is only a small drop in an ocean of need and much more national mobilisation and international involvement is required to obtain tangible results.



Marcin Świącicki
Co-ordinator of OSCE
Economic and Environmental
Activities

2. Strategy Document for the Economic and Environmental Dimension

2.1 Overview of the Strategy Document

Following the decision of the OSCE Ministerial Council in Porto on “Enhancing the Role of the OSCE Economic and Environmental Dimension” (MC(10).DEC/5), the work on elaborating a new Strategy Document for the Economic and Environmental Dimension started in January 2003 under the guidance of the Dutch Chairmanship. The OCEEA provided, as requested, input and support to the Chairmanship and the participating States. As a result of intense and continuous deliberations within the framework of two informal groups of friends, the Economic and Environmental Sub-Committee and the PC, consensus was reached and the Strategy Document was adopted by the OSCE Ministerial Council in Maastricht, in December 2003 (MC(11).JOUR/2, Annex 1).

Reaffirming the importance of the Economic and Environmental Dimension, recalling the principles of the 1975 Helsinki Document and complementing the Concluding Document of the CSCE Conference on Economic Co-operation in Europe (Bonn 1990), the Strategy Document identifies the challenges and threats in the economic and environmental dimension and the response and action needed from the OSCE perspective. The Strategy Document covers a wide range of thematic areas such as:

- co-operation to enhance development, security and stability;
- good governance;
- sustainable development;
- protecting the environment.

Referring to the role of the OSCE, the Strategy Document stipulates that it should be further enhanced, in particular through:

- enhancing dialogue;
- improving the review of implementation of commitments;
- strengthening the capacity for advice and assistance;
- strengthening the capacity to mobilise advice and assistance from other organisations.

2.2 Implementation of the Strategy Document

In line with the provisions of the new Strategy Document, the OCEEA has streamlined its existing activities and identified further activities relevant to the implementation of the new Strategy Document. For this purpose, the OCEEA has presented a proposal on ‘Implementation of the OSCE Strategy Document for the Economic and Environmental Dimension’. This proposal is meant as an open and living document to be adapted on a regular basis according to the priorities identified by OSCE participating States.

In the field of economic co-operation the OCEEA has proposed to promote accession to international trade agreements and regional integration processes through seminars, workshops and technical expertise for interested participating States. With regard to promoting good governance, the OCEEA is already strengthening its assistance e.g. by supporting the development of Anti-corruption Action Plans and Strategies, the publication of an OSCE Booklet on Best Practices in Fighting Corruption and the Municipal Infrastructure Finance and Implementation Project (MIFI). The latter aims at increasing co-operation between local governments and their constituents. Already active in developing a business-friendly environment and promoting SMEs, the OCEEA is extending its efforts in the field of human capital development. Therefore, in addition to its Youth Entrepreneurship Seminars, the OCEEA is developing internship programmes for at-risk groups within private sector companies. With regard to ensuring sustainable development and protecting the environment, the OCEEA is promoting the implementation of international environmental conventions and facilitating co-operation through various activities while the OSCE-UNDP-UNEP Environment and Security Initiative (ENVSEC) is dealing with risk assessment, policy development as well as institution and capacity building.

2.3 OCEEA Structure

To better respond to its mandate and the requirements of the new Strategy Document, the 2003 Unified Budget allowed the OCEEA to increase its workforce. The OCEEA is now in a position to build up capacity which allows a more substantial response to economical and environmental threats to security.

In particular, the rapidly increasing importance of project work within the OCEEA over the past two years created the need for a more structured and unified approach in the design, management and evaluation of economic and environmental projects. The absence of a comprehensive database of projects in the Economic and Environmental Dimension, as well as the need for more transparent handling of project finance, resulted in the creation of a Project Support Unit (PSU) within the OCEEA.

The PSU is composed of three officers who are part of the Co-ordinator's Office in Vienna. Its main tasks include:

- Providing a first port of call for all project related communications with the OCEEA, especially with regard to requests for support and information during the project development phase, but also reporting and evaluation;
- Facilitating the transfer of know-how between field presences and the OCEEA;
- Building an institutional memory of ongoing and past projects by widening the existing CPC project database, including a list of model projects (best practices);
- Encouraging unified drafting standards and regular reporting practices.

Objective of the OCEEA Project Support Unit

The declared objective of the PSU is to deal in a transparent and systematic way with all projects in the Economic and Environmental Dimension (EED), initiated and run by the OCEEA, and to assist OSCE field presences in designing, managing and evaluating their EED projects as well as assisting them in their effort of fund raising. Particular emphasis will be put on regular reporting on ongoing and completed activities. The PSU also assists field presences in designing and reporting on projects funded by the OSCE core budget.

3. Follow-up to the 11th Economic Forum: Trafficking

Trafficking in human beings, drugs, small arms and light weapons poses a serious threat to human security and stability in the OSCE region. Recognizing that combating trafficking requires a comprehensive effort involving all three dimensions of the OSCE, the proposal of the Dutch Chairmanship to select "Trafficking in Human Beings, Drugs, Small Arms and Light Weapons: National and International Economic Impact" was accepted as the theme for the 11th OSCE Economic Forum which was held in Prague from 20 to 23 May 2003. The Consolidated Summary of the 11th Economic Forum was distributed to delegations under EF.GAL/13/03/Rev.1.

In addition to its activities already contributing to fighting trafficking, e.g. by combating money-laundering and fighting poverty, the OCEEA has developed a specific Anti-Trafficking Programme which complements the counter-trafficking activities carried out by OSCE institutions.

3.1. Anti-Trafficking Programme on Public-Private Co-operation in the Prevention of Trafficking in Human Beings

The 11th Economic Forum together with the "OSCE Action Plan to Combat Trafficking in Human Beings" (MC.DEC/2/03) tasked the OCEEA to take measures that help to (a) address the demand side of trafficking in human beings, (b) tackle economic factors which increase the vulnerability of women and minorities to trafficking, and (c) mobilise and strengthen the private sector's efforts to combat trafficking in human beings.

Following this guidance, the OCEEA developed a comprehensive Anti-Trafficking Programme which builds upon existing best practices of the private sector. The Programme's objective is to fight trafficking in human beings in source, transit and destination countries in the OSCE region by establishing private-public partnerships among the business community, NGOs, and governments. The Anti-Trafficking Programme consists of three mutually reinforcing sub-programmes:

1. Self-regulation of the private sector;
2. Awareness raising in Western countries;
3. Economic empowerment of potential victims of trafficking.

After presenting the Anti-Trafficking Programme to the delegations (SEC.GAL/13/04/Rev.1) in February 2004, the OCEEA in close co-operation with its implementing partners, the Austrian NGO "Respect" and IOM, started the implementation of the first phase of the Programme.

Under the self-regulation sub-programme of the Anti-Trafficking Programme (ATP), two pilot countries in South-eastern Europe have been identified to commence with the implementation of the "Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism". The Code of Conduct, which was developed by ECPAT international (ECPAT stands for "End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes") will involve training of tourism industry personnel, distribution of information on trafficking and (contractual) agreement between Western and local tour operators to prevent exploitation of minors for sexual purposes. In addition, tourism education institutions and chambers of commerce will be encouraged to work in co-operation with the governments' national points of contact for the prevention of trafficking in this effort. It is foreseen to expand the Code of Conduct further into South Eastern and Central Europe, subsequently, self-regulatory activities will be promoted in other sectors, including transportation, agriculture, etc.

Under the awareness raising sub-programme of the ATP, and in order to sensitise specific target audiences such as policy makers, business community and the general public in Western countries on the problem of trafficking, the OCEEA together with UNODC is developing an awareness raising campaign involving in part the airing of public service announcements in airlines and airports. Awareness raising is also undertaken through the screening of the movie "Lilja 4-ever".

As preventive strategies targeting countries of origin in South Eastern and Eastern Europe, the OCEEA is implementing economic empowerment activities for vulnerable population groups at risk of being trafficked in partnership with the business community, governments and civil

Lilja 4 ever



Memfis Film/Per-Anders Jørgensen

A strong call about the plight of victims of trafficking went out from the screening of the movie “Lilja 4-ever”. OCEEA organised this event in the Hofburg on 15 September 2003 as a follow up to the Eleventh Economic Forum, where the need for more awareness raising activities in countries of origin, transit as well as in countries of destination was stressed.

The screening of the movie “Lilja 4-ever” on the misery endured by an Eastern European teenager, finding herself sold into sexual slavery was followed by a round of discussion among the partici-

pants on how awareness on trafficking in human beings can be improved in Western Countries.

As a spin off, the OCEEA facilitated the repetition of the screening in other venues.

society (See Chapter 7.1.2). Building upon the OSCE Youth Entrepreneurship Seminars (YES) programme, at-risk groups are trained on how to start a small business and access financing (See Chapter 7.1.1). In co-operation with World Bank’s International Finance Corporation (IFC), OCEEA is studying the feasibility of establishing internship and vocational training programmes within private companies to empower vulnerable groups with the necessary skills to be competitive in the job market. Similarly, consultations with the International Business Leader’s Forum (IBLF) are resulting in promising opportunities to develop a vocational programme in the hospitality industry (Youth Career Initiative).

3.2. Facilitating the propagation of best practices against trafficking

Following the specific recommendations of the 11th Economic Forum and provisions of the “OSCE Action Plan to Combat Trafficking in Human Beings” (MC.DEC/2/03),

OCEEA has identified and facilitated the propagation of best practices that are carried out by or involve the private sector and NGOs with the objective to combat trafficking in human beings. For instance, among self regulatory schemes the “List of Voluntary Best Practices” of the International Road Transport Union (IRU) aims at helping road hauliers and truckers to curb and stop illegal migration.

Another successful example involving the private sector are national “Crimestoppers” programmes. These private-public partnerships provide the opportunity for any individual to contact a telephone line anonymously to submit information on crimes, including those in connection with trafficking in human beings. Furthermore OCEEA brought to the OSCE Informal Working Group on Gender Equality and Anti-Trafficking the Best Practices on (Re)Integration of Victims of Trafficking in six West European countries, as researched by the project Bonded Labour in the Netherlands (BlinN).

“You know the perpetrator, does he know you? Report Crime anonymously”. The OSCE supports this Crimestoppers Public Campaign.



3.3. Strengthening co-operation in the field of counter-trafficking

While developing its anti-trafficking activities OCEEA has been strengthening its co-operation with relevant international organisations, NGOs and the business community. In addition the Office is participating in the OSCE Informal Working Group on Gender Equality and Anti-Trafficking and the Stability Pact Task Force Expert Co-ordination Team Meeting.

3.4. Specific follow up activities to the 11th Economic Forum

Drug Awareness campaign - Awareness raising on trafficking of drugs and human beings.

The Economic and Environmental Unit of the OSCE Presence in Albania and the UNODC supported a public campaign in the frame of the International day on drugs, on 26 June 2003, with the aim to address the need to talk about drugs, and identify the roots and ways of fighting them. Several dialogues were broadcasted in Albanian language, in two main radio channels, during June 2003.

The OSCE also supported the Shkodra Police Directorate to carry out a local awareness campaign in March 2004. The main purpose of the campaign was to raise public awareness on the negative effects of the cultivation, production and trafficking of narcotic plants in order to combat drug related activities in the Shkodra region.

Fight against drugs – Agriculture needs assessment for the Karbunara village.

The OSCE Presence in Albania supported a needs assessment study in the Karbunara village in south-west Albania, aiming at the introduction of alternatives to the cultivation of drug crops. The study came out as the village has been considered one of the most problematic areas of cultivation and trade of drugs and it was conducted by ABMC (Agricultural Business Management Centre). The results determined the potential for development and possibilities of alternative crops cultivation in the village.



OSCE Albania

"Together for a society without drugs". The OSCE funded the posters for the manifestation during the International Day on Drugs on 26 June 2003. Albania

4. The 12th Economic Forum: “New Challenges for Building up Institutional and Human Capacity for Economic Development and Co-operation”, Prague, 31 May – 4 June 2004

Three Preparatory Seminars were organised before the Twelfth OSCE Economic Forum on “New Challenges for Building up Institutional and Human Capacity for Economic Development and Co-operation”. These meetings allowed experts from the participating States and various international organisations, the business community, academia and non governmental organisations to analyse and discuss issues related to the three main topics of the Forum: development of the SME sector, stimulating investment, and development of human capacity. The preparatory seminars achieved their main objective of elaborating suggestions for the Economic Forum. Furthermore, discussions in the Economic and Environmental Sub-Committee based on the suggestions from the seminars contributed to streamlining the preparatory process.

The three Preparatory Seminars were organised by the OCEEA in close co-operation with the Bulgarian Chairmanship and respectively in collaboration with the Armenian Ministry of Foreign Affairs and the OSCE Office in Yerevan (First Preparatory Seminar), the Ministry of Foreign Affairs of Ireland/EU Presidency (Second Preparatory Seminar), and the Kyrgyz Ministry of Foreign Affairs and the OSCE Centre in Bishkek (Third Preparatory Seminar).

Altogether, the three Preparatory Seminars attracted more than 480 participants from OSCE participating States, OSCE Partners for Co-operation, OSCE Mediterranean Partners for Co-operation, OSCE Field Presences, OSCE Institutions, as well as numerous representatives of relevant international organisations, the business community, NGOs and research institutions. Numerous background documents and speakers' presentations have been circulated during the three seminars. These documents have been compiled in a CD-Rom and can be provided upon request by the OCEEA.

The suggestions stemming from the preparatory seminars were circulated to all OSCE delegations.



Exhibition on SMEs during the First Preparatory Seminar for the 12th OSCE Economic Forum. Yerevan, Armenia.

4.1 First preparatory seminar for the 12th Economic Forum: Supporting the development of SMEs, Yerevan, Armenia, 17-18 November 2003

The First Preparatory Seminar for the 12th OSCE Economic Forum was held on 17-18 November in Yerevan, Armenia. The topic of the seminar was “Supporting the Development of SMEs”.

Following the opening of the plenary session which also featured three general introductory keynote speeches, two parallel focused working groups were dedicated to the establishment of an appropriate legislative and institutional framework conducive to the development of the SME sector and, respectively, to the direct assistance targeting SME development. Issues such as the need for friendly legislation and policies specifically targeting SMEs, the importance of entrepreneurial education and skills, the role of business associations and role of business support institutions were discussed. Representatives of business associations and chambers of commerce had a substantive contribution to the debate.

The 12th Economic Forum

In addition, a plenary session on “The role of the OSCE in supporting the development of SMEs” was held in the second day of the event. The discussion was instrumental in further streamlining the OSCE approach.

The Consolidated Summary was distributed under SEC.GAL/218/03.

4.2 Second Preparatory Seminar for the 12th Economic Forum: Stimulating foreign and domestic investment, Dublin, Ireland, 16-17 February 2004

The Second Preparatory Seminar for the 12th OSCE Economic Forum was held on 16-17 February in Dublin, Ireland. The topic of the seminar was “Stimulating Foreign and Domestic Investment”.



Irish Deputy Prime Minister Mary Harney and Marcin Świącicki, Co-ordinator of OSCE Economic and Environmental Activities, at the Second Preparatory Seminar for the 12th OSCE Economic Forum, Dublin, Ireland

A first plenary session focused on risks, security and investment. A second plenary session on strengthening the partnership of governments, private sector and international organisations for good governance, conflict prevention and post conflict rehabilitation was held in the second day of the event. Two parallel working groups were dedicated to creating necessary conditions for investment and maximizing benefits from investment. Among the main issues addressed were: the financial infrastructure needed for stimulating investment, the role of regional co-operation, the impact of investment on domestic private sector development, human resources development and in promoting higher environmental standards and environmental responsibility.

The discussion provided an opportunity for exchanging views on the OSCE role in the field and its potential co-operation with other international organisations and actors, including NGOs involved in conflict prevention and business organisations and associations such as business advisory councils.

The Consolidated Summary was distributed under SEC.GAL/48/04.

4.3 Third Preparatory Seminar for the 12th Economic Forum: Professional skills needed for developing a market economy, Bishkek, Kyrgyzstan, 29-30 March 2004

The Third Preparatory Seminar for the 12th OSCE Economic Forum was organised in Bishkek, Kyrgyzstan, on 29-30 March 2004. Its topic was “Professional Skills Needed for Developing a Market Economy”.

The seminar started with an opening plenary session, during which the state of education and human capacity building and the challenges ahead were addressed. The opening plenary was followed by five thematic working sessions during which the specific gaps and needs related to training for public administration staff, training for academic staff and graduates, business related training, education for sustainable development and employment related training for youth and newly graduated were discussed.

The seminar took account of the experience and activities of national and international organisations and institutions active in the field of human capacity building and higher education in order to ensure that any OSCE human capacity building initiative being developed in co-operation with other organisations would complement or build on work already being carried out, thus avoiding duplication.

The Consolidated Summary was distributed under SEC.GAL/91/04.



H.E. Djoomart Otorbaev, Deputy Prime Minister of Kyrgyzstan (middle) opening the Plenary Session of the Third Preparatory Seminar for the 12th Economic Forum. Bishkek, Kyrgyzstan

5. Good Governance

Public confidence and trust in government is a result that is only achieved when governmental institutions and legislation are strengthened in such a way that they can effectively combat corruption. The OCEEA focuses its attention on the promotion and implementation of international standards and conventions against corruption, the strengthening of public administration systems, development of transparent budgetary processes and the establishment of well-functioning public institutions.

To achieve this end, the OCEEA has formed partnerships with those international organisations that are active in the fight against corruption. The OECD, UNDP, and UNODC are working in co-operation with the OCEEA on a number of overlapping issues; together we are finding new synergies to ensure that a well co-ordinated approach to anti-corruption strategies and technical assistance project development can be achieved in the OSCE region.

5.1 Promoting transparency and combating corruption

5.1.1 Strengthening of Legislation and Institutions and Promoting International Standards

To promote the strengthening of legislation and institutions that combat corruption the OCEEA is presently working in close co-operation with the OECD Anti-Corruption Network for Transition Economies to further a regional Anti-corruption Action Plan in several OSCE countries.

The action plan requires participating countries to perform extensive self-assessments of their anti-corruption institutions and legislation. Their reports are reviewed by international experts with the aim of identifying areas where further work is needed. The OCEEA supports the inclusion of civil society anti-corruption coalitions in the review process, by encouraging the development of shadow reports that are presented during the review meetings. Once recommendations are made OCEEA intends to support technical assistance based on those recommendations made during the reviews and the needs of the country. A monitoring system will then be developed to measure progress towards attaining the goals set.

5.1.2 Promoting the UN Convention Against Corruption

The OSCE is working closely with the UNODC Global Programme against Corruption in promoting ratification and implementation of the UN Convention against Corruption, which was adopted on 31 October 2003 and opened for signature by UN Member States in Mérida, Mexico, as of 11 December 2003. The first Ratification Promotion and Early Implementation Workshop for the Convention will be held in Kyrgyzstan in June 2004. Government officials, parliamentarians, and NGOs were invited to attend. The Workshop will highlight provisions from the Convention, explain the ratification process and identify where national legislation falls short of the commitments required under the Convention. To follow-up to these findings UNODC and OCEEA will tailor technical assistance workshops that conform to the needs and requests of countries that wish to ratify and implement the Convention.

5.1.3 OSCE Booklet on Best Practices in Combating Corruption

The Booklet on Best Practices in Combating Corruption focuses on the latest anti-corruption practices across the world. It is intended to be a resource tool for legislators, public officials, media organisations, NGOs and all those who may be concerned about corruption and wish to know more about measures other countries have taken to fight corruption. The Booklet will be available in English and Russian during 2004.

5.1.4 Specific Activities in OSCE Participating States Azerbaijan

→ National Integrity Systems Study

The OSCE Office in Baku sponsored in part the international NGO, Transparency International, to conduct a National Integrity Systems Study for Azerbaijan. The research was conducted on the national attitudes and perceptions of corruption in Azerbaijan. The Study surveyed over 1,000 representative households throughout the country and over 200 national experts in business and focus-groups. The survey complemented desk research on current anti-corruption legislation pending in the Azerbaijan National Parliament (Milli Mejlis).

Kazakhstan

→ Improving the Environment For Small Businesses

The OSCE Centre in Almaty together with the Almaty Association of Entrepreneurs developed a project aimed at improving the environment for small businesses in Kazakhstan. Mobile reaction groups were created to monitor specific inspections by state bodies. Questionnaires were developed and a poll conducted among entrepreneurs to reveal problems between entrepreneurs and inspection officials. A training was later conducted on taxation issues. A brochure on the rights, obligations, and liabilities of the taxpayer, as well as six mini-manuals on various enterprise-related issues were published and distributed at this training.

→ Seminar on Prevention of Corruption Related Crime: Approaches and Instruments

The event highlighted a successful pilot project involving the Almaty City Court that introduced an automated system for the allocation of cases among judges as a measure of reducing corruption. One hundred and fifty judges from

across the country were given an overview of international standards and practices and of other OSCE/ODIHR judicial reform initiatives. The event was organised by the OSCE Centre in Almaty together with the Supreme Court of Kazakhstan.

→ Evaluation of Transparency in the Oil and Gas Industry

The project began with the distribution of a questionnaire among local and foreign companies working in the oil and gas industry in Kazakhstan. The results of the research were used to make practical recommendations and proposals for ensuring greater transparency in the oil and gas sector. The project was carried out under the framework of the campaign “Publish What You Pay” supported by 110 international organisations and companies based in Kazakhstan.

→ Provision of software for the fight against money-laundering.

The project aimed to assist the newly established Anti-corruption Agency by providing appropriate software to trace suspicious financial transactions. The software helps to analyze financial information collected electronically.

→ Publication of a brochure on the implementation of Article 170 of the Land Code.

The brochure prepared by the Agency on the Management of Land Resources was translated into Kazakh and distributed in all regions of the country through local administrations. The brochure describes procedures of the new Land Code which introduces private land ownership and thus promotes private farm development.



Discussing Kazakhstan's new Land Code at a workshop in Almaty on 23 April 2004. Head of the OSCE Centre in Almaty Ambassador Ivar Vikki is third from left.

OSCE

→ ***Training on electronic governance and electronic democracy: Estonian experience for Kazakhstan.***

State officials, representatives of non-governmental organisations and businesses from Eastern Kazakhstan underwent training in the Estonian e-academy in Tallinn. Estonia is among the world leaders in the use of information technologies due to active policy of state, private and non-governmental companies aimed at the development of the electronic society. This experience was shared with participants of the training, who also visited the Estonian State Secretariat and the Parliament.

Kyrgyzstan

→ ***Ecological Forum in the South of Kyrgyzstan***

The project enhanced NGO capacity in solving local and regional ecological issues by providing information-resource facilities. The facilities are located in the offices of the local ecological movement “Tabiyat-Osh” and are equipped with a library and equipment necessary for viewing video materials. The information resource facilities inform the public and NGOs about the present ecological situation and serves as an intermediary between donor organisations and local implementing NGOs.

→ ***Training workshop on writing transparent proposals***

A three day training workshop was organised for environmental NGOs from the Ferghana Valley countries. The training taught participants how to prepare a well structured proposal and transparent budget. After having

learned the ways for writing proposals the NGOs formulated together a common project for the Ferghana Valley. The aim of the common project was to raise public awareness and to increase cross border co-operation on rational and sustainable water use.

Uzbekistan

→ ***Promotion of Environmental Legal Advocacy***

The local environmental NGO “ARMON” and the OSCE Centre in Tashkent worked to increase public participation in environmental decision making in Uzbekistan. ARMON’s activities included: (1) providing seminars that address environmental problems in the provinces; (2) identifying potential local leaders for grassroots environmental initiatives; (3) creating a database with environmental information; (4) conducting a mass-media campaign to increase public participation in environmental protection matters; and (5) providing free legal consultations.

→ ***Mahallas (local government organisations) and Environmental Protection***

In order to assist local government authorities in their environmental protection activities, the OSCE Centre in Tashkent, the National “Mahalla” Foundation, and the State Committee for Nature Protection conducted round tables for Mahalla leaders focusing on Uzbekistan’s environmental laws, the state structures dealing with environmental issues, and how Mahallas can become more involved (and better co-operate with NGOs and government agencies) in environmental protection activities.

The OSCE Centre forwarded the recommendations from these round tables to relevant Government agencies.

→ ***Publication of an Information Bulletin on Drug related issues in Central Asia***

This edition of the Information Bulletin, published by the National Center on Drug Control of Uzbekistan, with the financial support of the OSCE Centre in Tashkent, assists countries of Central Asia in the fight against

OSCE Osh Field Office



NGOs presented their activities in the sphere of environmental protection and ecological education at schools and universities. Ecological Forum in the South of Kyrgyzstan

drugs. The information in this bulletin reviewed the results of anti-drug work carried out by the law enforcement bodies of the Central Asian countries during 2003. It detailed the ongoing production of opium and heroin in Afghanistan, an increase in the drug flow from Afghanistan, and the spread of HIV/AIDS in the region.

Tajikistan

→ *Training workshop for journalists: Reporting on corruption*

The objective of the training was to increase awareness and the knowledge of journalists about corruption; to raise more active discussions about corruption and how it affects society, and to provide the necessary training to do efficient and safe reporting on corruption issues. The three-day training session was held in October 2003 with an attendance of 25 journalists.

5.2 Improving the management of public resources

OCEEA has supported a number of specific activities conducted by OSCE field presences.

Armenia

→ *Labour Code Reform in Armenia*

The OSCE Office in Yerevan together with the German Technical Co-operation Law Reform Programme supported the Armenian Government to draft the Labour Code. OSCE, GTZ and World Bank experts submitted to the OSCE Office their comments, which were discussed with a working group chaired by the Ministry of Justice at a 3-day working session in October 2003. Most of the recommendations were accepted by the national working group and incorporated into the new draft.

Bosnia and Herzegovina

→ *Implementation of the Public Administration Reform Assistance Programme*

The OSCE Public Administration Reform Programme aims at ensuring minimum standards in the financial and human resource management of all municipalities participating in the programme. OSCE advisers are present in the municipalities to support the local

administration with advice and on-the-job coaching, and produce reports that include an action plan for 100 participating municipalities in five cantons.

→ *Assessment of public finance administration practices*

The Public Administration Reform Programme of the OSCE BiH conducted a comparative Initial Assessment of all BiH municipalities in July 2003. OSCE staff gathered information in all 147 municipalities, mainly in the fields of public finance and human resource management. Over 200 different types of data can be accessed by other International and national partners like UNDP, the World Bank, IMF, Ministry of Finances and Treasure, EC project teams and SFOR.

→ *Establishment of Municipal Planning Development Committees (MPDC)*

At the municipal level, efforts to determine development priorities have been hampered by a general lack of communication between local authorities, businesses and citizens. One popular mechanism for improving such relations is the preparation of community-based development plans to build consensus on critical issues affecting their communities. The OSCE offered assistance to municipalities in developing their structures for strategic planning methods and assisted in the creation of sustainable economic development plans for their communities. The Municipal Development Planning Committee is responsible for initiating and leading the entire development process, including drafting development visions and ensuring the participation of different community stakeholders.



"Press the button to get a number". Implementation of the Public Administration Reform Assistance programme. Bosnia and Herzegovina

OSCE Mission to BiH

Georgia

→ *Customs Control Information Project*

The OSCE Mission to Georgia, in co-operation with the Association of Young Economists of Georgia (AYEG), supported the publication and distribution of 4,000 booklets on proper customs and border procedures for use by traders and customs officers. The booklets were mainly written in Georgian, with some in Russian and English, and were distributed to traders, companies, customs officials, and regional offices of AYEG. Awareness of the booklet was increased by the Mission supported television and print media campaign. Advertisements in regional newspapers and television stations ran for three weeks in December 2003.

→ *Labour Code Reform*

The OSCE Mission working with the Georgian Policy and Legal Advice Centre provided legal advice to the labour code draft, training trade union representatives and employers' unions, and conducted a regional conference with Georgian and Armenian labour law specialists.

→ *Regional Confidence Facilitation Project*

The Mission and the German Technical co-operation "GTZ" conducted an economic assessment of the Marnauli region bordering both Armenia and Azerbaijan to ascertain economic and trading practices.

Monthly meetings were held in Tbilisi with the three local NGOs conducting the economic surveys in the three countries. Increasing cross-border trade flows, reducing border corruption, and improving local services was a common theme.

Kazakhstan

→ *The Kazakhstani Budget Transparency Initiative*

The project was implemented with the Eurasia Foundation and aims to achieve accountable budget implementation in Kazakhstan through public participation in monitoring activities. It included training of NGOs on working with local budgets, grant competition for proposals on increase of budget transparency, dissemination of best practices, study tour and research on expanding NGO participation in the full budget procedure. The ten-month project started in April 2004.

→ *Kazakhstani-Russian Cross-Border Initiative*

The initiative assisted small and medium enterprise development along the border of Kazakhstan and Russia. The OSCE Mission held a conference on obstacles and opportunities for improving cross-border trade to promote a grant competition for NGOs who work to lessen administrative burdens thus improving cross-border trade. The projects were conducted jointly by Russian and Kazakhstani NGOs in collaboration with local governments and customs officials from both countries.

The former Yugoslav Republic of Macedonia

→ *Economic recovery and development through the establishment of Municipal Development Fund in Kicevo Region.*



Former Mayor and Nobel Peace Prize Nominee Selim Beslagic Shares Tuzla Economic Development Experience in Kicevo Valley.

OSCE Spillover Mission to Skopje

The Inter-Municipal Co-operation Pilot Project for the Kicevo Region involved six-municipalities and was divided into two phases incorporating a blend of technical assistance, training and joint-project management. The focus of the first 12-month phase provided 23 mayors and their multi-ethnic municipal staff with core training and technical assistance on municipal co-operation, strategic planning and project management in the context of current reforms. The mayors and municipal staff were made aware of the types of structures that can be established to promote, implement and manage inter-municipal co-operation. The second phase established a model for improving economic potential through the strengthening of the local institutions that provide services to citizens.

→ **Municipal Development Study Tour in Bavaria**

During an intensive seven day study tour sponsored by the OSCE and organised in co-operation with the Bavarian State Government, a ten-member delegation consisting of four OSCE national professional officers and five representatives of various Government ministries studied the implementation of various local government competencies. The tour included key areas such as, waste and water management systems, road maintenance, fire fighting, and primary education. This study tour was part of a series of technical exchanges organised by the OSCE. A previous tour was organised in Bavaria with mayors from the Kicevo Region where OSCE continues to work on a project to stimulate inter-municipal co-operation.

Serbia and Montenegro

→ **Local Parliament for Sustainable Development in Krusevac**

The aim of the project was implementation of the Aarhus convention in the Municipality of Krusevac, as well as the basic principles of co-operation in a democratic society, and good governance. The basic goal was setting up the Local Parliament for Sustainable Development and to engage all interested parties in reaching agreements concerning the protection of the environment and sustainable development within Krusevac Community.

The Assembly was elected, as well as its two Councils (Council of Citizens and Council of Experts) were set up. The first ever Parliament for Sustainable Development in the Balkans took part in the process of drafting and adopting the detailed Urban Plan of Krusevac in the accordance with the Environmental Protection Law.



“Street Cleaning Bavarian Style”: The OSCE sponsored delegation from the former Yugoslav Republic of Macedonia receives an onsite demonstration of street cleaning in Bavaria

Tajikistan

→ **Public Participation in Decision Making through Public Hearings**

The OSCE in co-operation with ABA/CELI (American Bar Association Central European Law Initiative) conducted one-day trainings in the following areas: Kulyab, Garm, Kurgan-Tube, Shartuz, and Khujand. The participants represented local government authorities (Mahallas) and local NGOs. A total of 125 individuals were trained. The objectives were: (1) convince governmental officials that a public hearing on a proposed law is not only theoretically beneficial to democracy but directly beneficial to the officials themselves; (2) convince governmental officials that it is not dangerous, difficult, expensive or time-consuming to hold a public hearing; (3) educate the officials on how to organise and conduct an effective public hearing; and (4) educate the public on why they should participate in decision making and how to do it effectively.

→ **Social Partnership Club**

The OSCE Centre in Dushanbe supported the implementation of four sessions of the ‘Social Partnership Club’, an initiative developed in the framework of the Public Council of the Republic of Tajikistan. Four round tables were conducted on the following topics: inter-ethnic relations, freedom of belief, national minorities and political parties. The objective of the project was to facilitate an open dialogue between the Government and civil society, including



A market seller counts banknotes in Dushanbe

→ *Civic Education School Programme in Khatlon, Rasht and Sughd Districts*

The programme trained civic education teachers on the main aspects of civil society, human rights, democracy, economic and ecologic education based on local legislation and international standards. Civic education classes began in September in five regions: Garm, Shartuz, Kulyab, Kurgan-Tube and Khujand with nine groups of 20 students in each region.

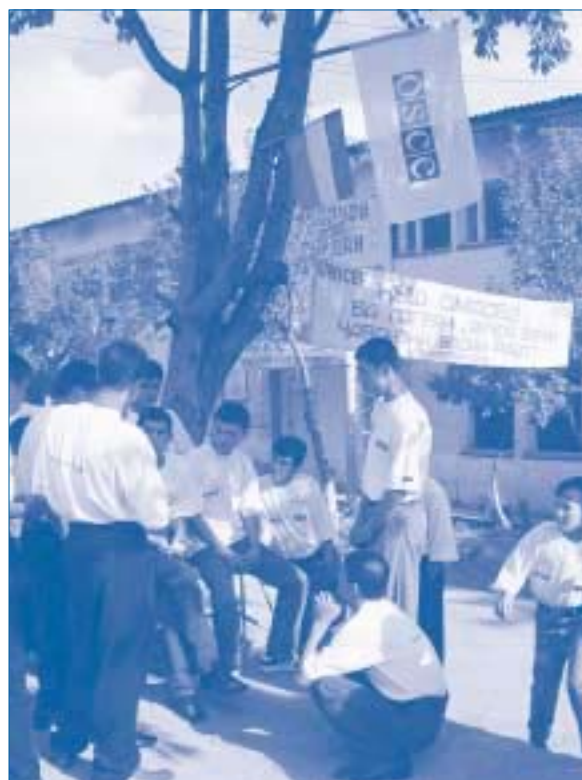
representatives of political parties, movements, associations, national minorities, academia and other relevant NGOs. Social Partnership club discussions took place in February, October, November and December 2003.

→ *Training Workshop for Journalists on Covering Corruption Issues*

The objective of the training was to increase awareness and knowledge of journalists on corruption, to raise more active discussions about corruption and the effect it has on society and to provide the necessary training to efficiently and safely report on corruption issues. The three-day training session was held in October 2003 with an attendance of 25 journalists.

→ *Youth Information Centre in Rasht*

The Youth Information Centre is one of the key sources of news, civic education, and informational programmes fostering the rule of law and promoting democracy at the local level. The Centre is also an excellent instrument for capacity building for young journalists. The opening ceremony of the Centre took place in December 2003.



Civic Education Classes in Garm, Tajikistan.

6. Activities related to the Prevention and Combating of Money Laundering and the Financing of Terrorism

Guided by the Decision No.1 on 'Combating Terrorism' (MC(9).DEC/1) adopted at the Ninth OSCE Ministerial Council in Bucharest in December 2001, Decision No.1 (MC(10).DEC/1) adopted at the Tenth OSCE Ministerial Council in Porto in December 2002, and in accordance with the Strategy Document adopted at the Eleventh OSCE Ministerial Council in Maastricht in December 2003, which calls under paragraph 2.1.11 for a continuation of activities aimed at developing, implementing and enforcing financial legislation and regulations on combating money laundering and the financing of terrorism, OCEEA is pursuing its co-operation with UNODC to support OSCE participating States' efforts to strengthen their ability to prevent and suppress terrorist financing.

6.1 National Workshops on "Combating Money Laundering and Suppressing Financing of Terrorism"

After the successful implementation of four workshops in 2002-2003, OCEEA and UNODC have continued to organise additional sessions:

Tashkent, Uzbekistan, 6-7 October 2003

Dushanbe, Tajikistan, 9-10 October 2003

The workshops constitute the first phase (awareness raising and identification of needs) of a gradual and flexible approach with a view to enhancing capacities in combating money laundering and in suppressing the financing of terrorism. They are to be followed by legal framework development, implementation assistance ("Mentorship"-Programme) and capacity building (specific training elements). The OSCE-UNODC food for thought paper which further outlines these possible contributions to interested OSCE participating States has been distributed to delegations under SEC.GAL/9/03.

While in Uzbekistan the workshop was organised in co-operation with the Central Bank of Uzbekistan and the contribution of the OSCE Centre in Tashkent, the session in Tajikistan was held in co-operation with the Prosecutor General's Office and the contribution of the OSCE Centre in Dushanbe. Both workshops brought international and local experts on combating money laundering and counter terrorist financing together with representatives from the respective ministerial, judicial, and financial governmental bodies.

Also in order to implement the relevant provisions of the Programmes of Action endorsed at the "Bishkek International Conference on Enhancing Security and Stability in Central Asia: Strengthening Comprehensive Efforts to Counter Terrorism" held in December 2001, at each of the two-day workshops specific issues were discussed such as the recommendations of the Financial Action Task Force, United Nations Model Law on Money Laundering and national laws against money laundering, the role of anti-

money laundering efforts in co-operation with international financial institutions, e.g. World Bank and IMF, and the development of alternative remittance systems and the cash smuggling problem.

Based on the discussions in both workshops recommendations were elaborated and transmitted to the respective governments.

6.2 Further Activities

Albania

→ *Regional Workshop on Co-operation in Combating Money Laundering and Financing of Terrorism*

With the support of the OCEEA, the Economic and Environmental Unit of the OSCE Presence in Albania organised together with the Ministry of Finance, Directorate for the Fight Against Money Laundering, a Regional Conference in Tirana on the “Regional Co-operation for Combating Money Laundering and Financing of Terrorism” where the Financial Intelligent Units from the countries of the Region expressed their commitments to prevent organised crime. The governmental institutions welcomed the initiative taken by the Albanian Financial Intelligence Unit (FIU) to set up a regular working agenda on a regional basis.

→ *Capacity Building and Training of Albania's Financial Intelligence Unit (FIU) in the Fight against Money Laundering.*

In response to the need for required skills to analyse data to the Department for the Co-ordination of the Fight against Money Laundering in the Albanian Ministry of Finance, the OSCE supported the department with the development of appropriate software for analysing financial information collected electronically and training the FIU staff on the analysis of financial information through a study tour held in Slovenia on 5 - 9 May 2003.

Armenia

→ *Awareness raising by parliamentarians on Combating Money Laundering and Suppressing the Financing of Terrorism*

During the drafting process of the legislation on Combating Money Laundering and Counter Financing of Terrorism (CML/CFT) and as a follow up to the national workshop held in March 2003, the OSCE Office in Yerevan organised workshops for the National Assembly to familiarise parliamentarians on the basic anti money-laundering and counter financing of terrorism (AML/CFT) standards to discuss international requirements to AML/CFT systems and to develop actions to be undertaken by the Government of Armenia.

Kyrgyzstan

→ *Follow-up to the National Workshop on “Legal Framework on Anti Money Laundering and Counter Financing of Terrorism (AML/ CFT)”*

The OSCE Centre in Bishkek in co-operation with the UNODC organised on 23-24 April 2003 a Roundtable Discussion on “Creating Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) Legal Framework: Follow-up the National Workshop held on 30 September-1 October 2002”. The objective of the roundtable was to examine the existing national law subject to its correspondence to international standards and ability to meet operative challenges in the field of money laundering. The participants suggested establishing a “Financial Intelligence Unit” in Kyrgyzstan and expediting adoption of appropriate national legislation with assistance of international institutions.



OSCE Ambassador Lipponen gives the welcome speech to the Regional Workshop on Co-operation in Combating Money Laundering and Financing of Terrorism, Albania

7. Further Activities in the Economic Dimension

Consistent with its mandate, OCEEA supports SME development as a means to create new economic opportunities and strengthen democratic and market principles in countries in transition. The new Strategy Document underscores the importance of “developing a business-friendly environment and promoting small and medium-sized enterprise(s) (SME)”.

OCEEA's assistance to SMEs serves a catalytic rather than a developmental function and is often undertaken in the context of conflict prevention and post-conflict rehabilitation. Special focus is being paid to educating young populations on the fundamentals of entrepreneurship (e.g.: Youth Entrepreneurship Seminar Programme (YES)) in post-conflict regions and transition economies as a means of broadening economic perspective and opportunities for the future, supporting private sector and human capital development, and fostering an understanding of the importance of socio-economic reforms.

In co-operation with its field missions, OCEEA brings valuable resources to communities with weak institutions and emerging private sectors and thereby helps strengthen local capacities for business development. Through the provision of training and capacity building activities, at times coupled with small amounts of financial assistance, OCEEA enables SMEs and potential entrepreneurs to respectively strengthen and develop their business operations as well as to facilitate the local institutional infrastructure to support SMEs.

OCEEA also targets assistance to vulnerable population groups which are often not within the scope of international donor assistance programmes and in doing so encourages greater economic opportunities for minorities, ethnic groups, small farmers, women, and others.

7.1 Promoting Entrepreneurship and SME Development

7.1.1 The Youth Entrepreneurship Seminar Programme (YES)

The YES Programme is a training activity that targets youth (ages 15 to 25) and provides them with the fundamental elements of starting a business. The YES aims not only to promote entrepreneurship among the youth but also to stimulate youth participation in the political and economic reforms process in their countries. The YES consists of two levels of training, YES I and YES II, providing a general and more in-depth understanding of entrepreneurship ranging from one day to 4 day training sessions. OCEEA has encouraged the replication of the YES throughout many of its field missions as an economic empowerment activity. The YES is often adapted to meet the needs of the respective country and target group and has been implemented in co-operation with partners, including with Southeast Economic Enterprise Development (SEED) in Southeast Europe and German Technical Co-operation (GTZ) in the Caucasus.

YES Implementation in OSCE Countries

Albania:

10 YES I seminars; 262 people trained

Armenia:

YES I over 200 people trained;
300 informed in the business fairs

Azerbaijan:

6 YES I seminars; 131 people trained

Bosnia and Herzegovina:

10 YES I and II seminars; over 300 persons trained

The former Yugoslav Republic of Macedonia:

YES I implemented in former crisis regions

Serbia and Montenegro:

YES I and YES II delivered in regions of high unemployment

Uzbekistan:

YES I delivered targeting university students

In **Albania**, the YES seminars were delivered in five cities between June and December 2003. Due to the great demand for participation, the YES Programme will be expanded with a series of eight seminars during the first and second quarters of 2004. In complement to the first phase, the 2004 YES II seminars will provide more in-depth information on the main elements of entrepreneurship, including market research, finance, forecasting, and the business plan.

Based upon the feedback from the participants of YES Seminars, the project '**Introducing Business Ethics to Albanian Universities**' was developed with the aim to stem corruption, promote understanding and improve the practice of business ethics among the next generation in Albania.

In **Armenia**, the YES Programme was quite comprehensively implemented and provided entrepreneurship information in various mediums, including business fairs, television and a web portal. One day training workshops were organised in the regions of Tavush and Lori identified for their difficult socio-economic situation due to a border conflict, a devastating earthquake and high unemployment.

In **Azerbaijan**, the YES was implemented in co-operation with the German Technical Co-operation (GTZ), in the regions of Tovuz, Gadabay, Gazakh/Agstafa and Siyazan targeting over 200 young people between the ages of 15 to 25. An initial train-the-trainers workshop helped to build the capacity of local practitioners and allowed for future sustainability. In response to the level of interest a future 5-day business plan training and business plan competition is planned.

In **Bosnia and Herzegovina**, eleven Youth Entrepreneurship Seminars (YES) were conducted in partnership with the Southeast Europe Enterprise Development (SEED)/World Bank Group, raising business awareness among more than 200 young people. Within the context of the YES, internships in private enterprises and local government administrations were promoted. In addition 35 YES-seminars in locations with potential for longer-term follow up are being organised in 2004.



OSCE Mission to BiH

Youth Entrepreneurship Seminars (YES), Bosnia and Herzegovina

In the former Yugoslav Republic of Macedonia young future entrepreneurs from various ethnic communities participated in the YES seminars organised by the OSCE Spillover Monitor Mission to Skopje and the Southeast Europe Enterprise Development (SEED). The seminars held in Kumanovo, Gostivar and Kicevo, focused on teaching the development of creative business concepts and the basic elements of drafting a small business plan.

"Such workshops are a good way to build bridges between young people from various ethnic communities in the country by bringing young people together to explore areas of common interest in a fun and light-hearted learning environment. Business has always been one sector of society that has connected people in the Balkans." A participant at the Youth Entrepreneurship Workshops.



OSCE Spillover Monitor Mission to Skopje

Young people learn the basic elements of a Small Business Plan, Kicevo (The former Yugoslav Republic of Macedonia)

In **Uzbekistan** the YES seminars were organised in conjunction with the National Youth Social Movement “Kamolot” and targeted students of economic faculties of the main Universities. Seven one-day seminars were held in Tashkent as well as one seminar in 6 of the country's provinces.

In **Serbia and Montenegro** the YES Programme has recently started to be implemented in Southern Serbia with a 7 training sessions of YES I planned for the first quarter of 2004, to be followed by a series of YES II trainings by mid-year. SEED and the Union of Employers of Serbia and Montenegro served as implementing partners.

The YES Programme is currently under preparation in **Georgia**.

Other activities targeted at developing SME and Entrepreneurship:

→ *Fair Employment Project (FEP) – Bosnia and Herzegovina*



OSCE Mission to BiH

“Discrimination in employment is prevalent throughout the country, posing a significant obstacle to economic growth and barrier to sustainable return” OSCE helps tackle this problem with the Fair Employment Project, Bosnia and Herzegovina

The main objective of the Fair Employment Project (FEP) is to address discriminatory employment policies by increasing the level of understanding of employers and employees of the right of equal treatment for all. The FEP aims to promote hiring practices that ensure the development of a labour market that supports a sustainable return and free movement of workers. The FEP works with the

largest public and private companies to incorporate fair employment principles in their personnel policies. Moreover, the FEP involves the provision of technical advice and assistance to employers in the areas such as recruitment, advertising, and harassment policies, among others.

→ *Start your business (SYB) - Croatia*

The SYB was implemented by the Centre for Entrepreneurship Osijek (Eastern Croatia) in partnership with several other NGOs within the areas of three OSCE Field Centres - Knin (Southern Croatia), Sisak (Central Croatia) and Vukovar (Eastern Croatia). The SYB is a globally recognised programme introduced in more than eighty countries with the International Labour Organisation (ILO) trademark and encompasses management training with a focus on starting small businesses as a strategy for creating more and better employment opportunities. A series of SYB training courses were provided to six groups from 12 to 15 participants, who had either already started or wanted to start their own business.

→ *Revitalisation of the Zadar County Hinterland - Croatia*

The project was implemented by the Association “Eko” Zadar (South Croatia) and illustrates an example of the pioneering role of the NGOs in creating better conditions for economic revitalisation as well as a tolerant climate for a sustainable return in the hinterland of Zadar County. This initiative assisted in the alleviation of frustrations caused by the poor social and economic conditions leading to intolerance among population, returnees and settlers. By focusing on the neutral common goal of the job creation in organic farming, the project promoted cohabitation and reconciliation among different ethnic communities.

→ *Entrepreneurship/Management Development Training programme For SMEs – Serbia and Montenegro*

The project addressed people with higher education employed in various companies in Kragujevac, Sumadija district, yet poorly motivated and with great possibility/risk of becoming redundant as these companies continue downsizing of their personnel. The training aimed to encourage these people to broaden their business views, enabling them to start-up and/or expand their businesses, thereby resulting in the creation of new job/entrepreneurial opportunities in the district.

→ *SME support programme “Business Incubator Centre” – Serbia and Montenegro*

The overall goal of the project is to help development of the municipalities through creating the infrastructure for supporting SMEs and job creation. In accordance to the new OSCE Strategy Document, the OSCE and Timok Club agreed upon co-operation in the implementation of this project to set up a Business Incubator Centre in Knjazevac (Eastern Serbia). With the aim of increasing economic development opportunities, the Centre will promote coalitions among business organisations, local governments and civil society. The Project has been supported by several donors. The Centre is to be officially opened in July 2004.

→ *Training of Trainers on the “Start and Improve your Business” (SIYB) Programme - Tajikistan*

Fifteen experienced business trainers took part in the seminar conducted in Dushanbe over ten working days. The training-of-trainers was conducted by two Tajik senior trainers qualified by the International Labour Organisation (ILO).

The trained personnel will render assistance and guidance to entrepreneurs and participate in the development of the private business sector in various parts of Tajikistan. As a follow-up of the seminar each of the participants conducted two five-day trainings on their own according to the ILO methodology, before they were awarded the certificate of competence.

→ *Support to Small and Medium Scale Enterprises - Turkmenistan*

This project was designed to support the establishment and subsequent activities of the resource centre of the Union of Entrepreneurs of Turkmenistan. The respective training events, four roundtable workshops and four seminars were initiated in April 2003 and went on throughout the year. Two related guide-books were produced and distributed. The resource centre was completed in August 2003 and it opened its doors for training and reference services in September. The OSCE Centre in Ashgabad supported training activities in 2004.

→ *Training for Trainers on Entrepreneurial Skills Advancement - Turkmenistan*

The target group of trainees was composed of young businessmen and women. The project aimed at providing the

participants with a solid basic knowledge of selected topics in management and administration in order to enable them to disseminate this newly acquired know-how among other young entrepreneurs and interested groups. Three national two-day workshops are planned and will to be implemented by local NGOs with external expertise provided by OSCE Centre in Ashgabad, starting in April 2004.

7.1.2 Empowering Vulnerable Population Groups

The following activities, specifically targeted at empowering women, were conducted:

→ *Training Workshop for Women Entrepreneurs - Azerbaijan*

The OSCE Office in Baku in co-operation with the Independent Law Centre, a local NGO, organised a series of training sessions in ten regions of Azerbaijan for women entrepreneurs. The training was designed to equip participants, specifically women, with the fundamentals necessary for owning and operating businesses. The training focused on the rights and obligations of entrepreneurs in Azerbaijan, including such topics as enterprise registration, tax obligations, marketing strategies, and business plan development.

→ *Women Entrepreneurs Conference - Azerbaijan*

On 21 November 2003, the OSCE Office in Baku sponsored a National Conference on Women Entrepreneurship in Azerbaijan in co-ordination with the Independent Law Center. The Conference, well-attended by Azeri government officials including the Minister of Economic Development, sought to promote acceptance of women entrepreneurship throughout the country. The Conference was also attended by approximately 30 women entrepreneurs from ten regions of Azerbaijan and various international development agencies.

→ *Cross-border Co-operation Aiming at Economic Empowerment of Women - Croatia*

The project was implemented by the NGO Project of Civil Democratic Initiative from Vukovar (Eastern Croatia). It aimed at the economic empowerment of women by providing “start up training” in entrepreneurship for prospective business owners. In addition the training linked business women from three neighbouring countries (Croatia, Serbia and Montenegro and Bosnia and Herzegovina) in order to create preconditions for cross-border co-operation

of business women, exchange of experiences and contribution to reconciliation efforts and establishment of trust across the sub-region.

→ *Entrepreneurial Skills & Training for Women - Croatia*

The project was implemented by the Association for Creative Development from Osijek (Eastern Croatia) and led to new employment opportunities. This project is a part of larger programme aiming at empowering low or no-income women to generate income in various activities and to build their capacities through training, consulting and technical assistance. The project also provided information on marketing services and introduced the model of non-profit enterprise.

→ *Promoting the involvement of repatriated Women in Small and Medium Size Enterprises - Kazakhstan*

Approximately, 500 repatriated women from five regions in Southern Kazakhstan received training in basic entrepreneurial skills, allowing nearly 80 of them to open their own businesses during the seven month implementation of the OSCE Project “Start Your Own Business” (mainly in handicraft production). Women were also supported to sell their products at a handicrafts fair.



Exhibition of the products of participants in business training for repatriated women, Kazakhstan



Training of repatriated (Oralman) women, Kazakhstan

→ *Workshop on “Enhancing Gender Participation in Economic and Social Development in Rural Areas” - Kyrgyzstan*

A two day-workshop to encourage women to start small businesses in rural areas was organised by the OSCE Centre in Bishkek in co-operation with the Women's Congress on 29-30 January 2004 in the Shokopov district.

The workshop promoted women entrepreneurship and assisted in the process of economic revitalisation and job creation in rural regions. The topics covered at the workshop included introducing basic elements of entrepreneurial thinking, key theoretical knowledge and practical skills on business plan development, the laws and regulations affecting businesses in Kyrgyzstan and business ethics. The workshop also provided information on the availability of credit resources from both international and Kyrgyz institutions as well as information on other business support services.

A series of similar two-day workshops were implemented in the Kara Balta district on 4-5 March 2004, and in Tokmok town on 26-27 March 2004.

→ *Business Women Project - Uzbekistan*

The OSCE Centre in Tashkent in conjunction with the Women's Committee of Uzbekistan conducted a project entitled “Women and Business in Uzbekistan”. The project consisted of two parts: i) establishing an “Information Consulting Centre” to enable women entrepreneurs to access the information related to private business development and changes in legislation, and ii) organising a series of work-



The Centre in Tashkent supports initiatives aimed at increasing the role of women in civil society.

shops “Development of Women Entrepreneurship in Uzbekistan” in eight provinces. Approximately thirty women entrepreneurs from each province attended the workshops, which focused on increasing their knowledge about the specific elements of doing business in Uzbekistan.

→ *Sewing workshop – Tajikistan*

The OSCE supported the establishment of the sewing workshop in an effort to address the socio-economic problems of the Ghozimalik district which make young women and girls particularly vulnerable within the society. The project aimed at job creation, provided vocational training and the working environment for twenty young women. Moreover, it provided a needed service to the local market.

→ *Establishment of a Bakery in Bokhtar District - Tajikistan*

The project expected to develop a sustainable and profitable bakery that also served as a business incubator. The target group were unemployed women in Bokhtar district outside Qurghonteppa. The project beneficiaries were selected among vulnerable women who have some experience in baking and cooking. Specifically twelve women – professional bakers, began producing candies and cookies, and one month later other women selected from the vulnerable group were offered an opportunity to receive vocational training in cooking. A total of 36 project beneficiar-

ies were targeted. Several problems such as a high unemployment and violation of human rights concerning women in this region were addressed in part through the project.

→ *Business Trainings for Women in Qurghonteppa - Tajikistan*

During the period from 14 August to 24 December 2003, a total of ten separate three-day trainings were carried out at various locations in the Qurghonteppa region. The total number of beneficiaries was 200 persons (118 women and 82 men) with different backgrounds and business experience.

The following districts were covered: Qurghonteppa town, Sarband, Gozimalik, Khojamaston, Jilikul, Kumsangir and Kolkhozobod. The objective was to provide the participants with a basic understanding of private business economics. The topics taught included legal and tax issues, management, marketing, and financial sustainability.

7.1.3 Promoting Economic Growth in Rural Areas

→ *Solar Energy for Water Supply - Albania*

The project “Solar Energy for Water Supply to Hysgjokaj and Stravec Communes” provided the first concrete examples of using photovoltaic technology for solving, in a sus-



Photovoltaic panels installed on Hysgjokaj village, Albania



Photovoltaic pump supplying with potable water the Stravec village, Albania

tainable manner, the severe problem of electricity and water supply in rural areas in Albania. It was implemented in two communes in central Albania by the Albania-EU Energy Efficiency Centre with the support of the OSCE. It was followed by a public awareness campaign and training programme to promote the project in other rural communes of Albania.

→ *Developing Rural Enterprise - Belarus*

The OSCE Office in Minsk implemented a number of tasks in conjunction with UNDP to promote and develop rural enterprise, both in a local pilot project on rural entrepreneurship and at the national level with the context of national activities on Small and Medium-Sized Enterprises (SME) development. Two hotlines were established offering judicial and commercial advice to new entrepreneurs and advertised by a national TV and radio advertising campaign. In conjunction with local entrepreneurs the Office provided assistance to establish a rural SME support centre in Komarova, in the Myadel region.

→ *Training on farming for rural population - Kazakhstan*

The training was conducted during July 2003 in the Aktyubinsk region. More than 100 farmers were trained on business planning, economic forecasting, marketing, and basics of banking systems, including leasing, crediting, banking accounting and

information on available crediting programs for farmers. The training included practical work at the Ormantay farm specialised in sheep. The major aim of the project was to show importance of specialisation of farms for specific products.

→ *Development of Eco-tourism - Kazakhstan*

The project aimed at developing eco-tourism in Kazakhstan by assisting local communities and small tourist companies in the organisation of eco-tourism business. It included market research to analyse and determine optimal locations and potential target groups for eco-tourism in the country; three pilot projects were selected through tender, and were coupled with a conference on the site of one of the projects and the publication of a brochure.

→ *Agricultural training for private farmers in Shuroobod district and Rasht Valley - Tajikistan*

The objective of the training was to increase profitability and expand the range of income-generating activities in local agriculture. Three topics were addressed: (i) How to achieve two harvests in one agricultural season; (ii) Cattle-raising and poultry breeding, and (iii) Local processing and marketing of food-produce.

The training took place from July to November 2003. A total of 125 farmers took part in the Shuroobod district (south-eastern Tajikistan), and 201 took part in Rasht Valley (central-eastern Tajikistan).



Monitoring of the Aksu-Zhabagly nature reserve, Kazakhstan

→ *Local Economic Development Project (LEaD) - Ukraine*

The LEaD project, launched in the mid January 2004, aims to support SME development at the regional level by targeting resources to under-served areas of Ukraine. By working with the Ministry of Labor and Social Policy and other stakeholders, the project will build local business support infrastructure by strengthening the capacity of the regional employment centres and establishing advisory centres to meet the needs of the business community. In doing so, conditions for public-private dialogue and co-operation will be enhanced as will be local ownership for economic development.

7.2 Building the Capacity of Decision Makers and other Stakeholders

→ *Free Trade Agreements project - Albania*

Following the signing of Free Trade Agreements in South Eastern Europe, the OSCE and the Institute for Development Research and Alternatives (IDRA) supported the Ministry of Economy of Albania in facilitating a country-wide political dialogue between government experts and businessmen. This project consisted of the following elements: (i) Organisation of a countrywide series of 10 seminars on the opportunities and problems of free trade agreements of Albania with South Eastern Europe countries, from November 2002 to April 2003; (ii) the preparation by IDRA of a brochure on “Free Trade Agreements – Opportunities and Challenges” .

→ *The Role of Local Government in Social and Economic Development Implementation - Albania*

The OSCE Presence in Albania and the National Strategy for Social and Economic Development (NSSSED) Unit at the Ministry of Finance as implementing partner are developing a project on “*The Role of Local Government in NSSSED Implementation*”, with the aim to increase human capacity in of the local government. For this purpose a National Conference was organised on 4 December 2003, with representatives of local government on NSSSED priorities and indicators of progress.

A second phase followed, during February 2004 with the organisation of three regional roundtables with representatives of local government from the regions in North, Central and South of Albania to discuss the strategy indicators and their results

→ *Forum on Local Economic Development - Armenia*

A workshop to discuss the factors inhibiting local area economic development with the participation of provincial and National Authorities, businesses, NGOs and political parties, international organisations and donors was held on 6 and 7 October 2003 in Armenia's most remote province (Syunik Marz). At the conclusion of the workshop, a working group was formed consisting of public and private sector representatives to develop a local area development strategy. As a follow up to the workshop, the mission provided assistance by helping establish a Working Group to develop the Syunik Province Economic Development Strategy with a special focus on SME development and job creation.

→ *Development of a Chamber of Commerce and Industry System in Armenia*

The aim of this activity was to transform the Chamber of Commerce and Industry (CCI) network into viable and self-sustainable institutions to effectively represent and advocate the rights of their members and the whole business community, including assisting with membership development, consultancy services, and training and information services.

The project was divided into three stages:

Stage I: From 12 to 19 November 2003, at the request of the OSCE Office in Yerevan, the International Chambers of Commerce (ICC) conducted a comprehensive assessment of the current situation in the Chamber system provided with a set of recommendations to upgrade the Chambers.

Stage II: From 3 to 19 December 2003, the OSCE Office in co-operation with German Technical Co-operation (GTZ) organised a study tour for representatives of Armenian Chambers and other business support organisations to learn how similar institutions function in Germany. As follow-up to the study tour, the Office organised a two-day Workshop on the subject: “The role of the Armenian CCI’s, the economic system and the development strategy” which was held on 15 and 16 January 2004 in Tsakhadzor, a village near Yerevan.

Stage III: OSCE Office provides support in implementing the recommendations contained in the report submitted by the ICC throughout 2004.

→ *Public Awareness of the Economic Impact of Local Conflicts in Border Provinces - Armenia*

The OSCE Office in Yerevan published a report, which gathered and analysed information on the conflicts relevant to the daily lives of the population in the conflict region. The report contained information on the institutions monitoring these conflicts and the economic impact that these conflicts have on the population of the region of concern. The report was discussed with the administration of the border province. A film illustrating the issues described in the report was produced for future presentation and discussions with stakeholders.

→ *Trade Facilitation in the South Caucasus - Armenia*

The OSCE Office in Yerevan provides funds to the implementing partner, Eurasia Foundation, for the publication of bulletins on customs and international trade related legislation, information on procedures and regulations, and available statistics on volume of trade and the type of exported/imported goods as well as hold regular on-line consultations on the import/export related issues. The activity will be implemented in the second half of 2004

→ *Economic Training for Municipalities - Azerbaijan*

In co-ordination with the International Foundation for Electoral Systems (IFES), the OSCE Office in Baku organised a two-day training for the staff of approximately eighteen municipalities in the Baku, Nakchivan, and Lenkoran regions. IFES trained and deployed teams of trainers to conduct training and address specific economic and SME development issues. The project promoted more effective local democracy by encouraging improved organisational management and providing human resources training, raised the level of information on strategic planning in economic affairs and the establishment of SMEs at the municipal level.

→ *Training Workshop for Journalists on Managing Resource Wealth in Baku - Azerbaijan*

On 17-19 November 2003 the Office participated in a Training Workshop for Journalists on Managing Oil Wealth. The Training Workshop was co-organised by the Azerbaijan chapter of the Open Society Institute, the Initiative for Policy Development, and the Public Finance Monitoring Centre, an Azeri watchdog NGO. Participants of the Training Workshop included the Nobel Prize-winner Joseph Stiglitz. The conference gave insight into and discussed the principles of how oil wealth can be managed to the maximum longer term benefit of society as a whole.

→ *Reform of the Pension System - Belarus*

The OSCE Office in Minsk in collaboration with the Ministry of Labour and Social Protection developed a programme to invite a team of experts to Belarus for discussions on the options available for reforming the pension system in Belarus. The results of these discussions were considered within the context of the planned reform of the Belarusian pension system

→ *Roma settlements survey – Bosnia and Herzegovina*

In November and December 2003, OSCE field staff and members of the Council of Roma for BiH conducted a survey of 767 Roma households throughout BiH. The purpose



OSCE Mission to BiH

*Lack of recognition of property rights creates obstacles to the exercise of other rights such as education, healthcare and participation in elections, as well as creating barrier to employment”
Roma settlements survey, Bosnia and Herzegovina*

was to assess for each household whether it was located on socially-owned or private land, and whether the household was legally recognised or registered. The project revealed that large numbers of Roma live in imminent danger of eviction because their property rights, in some cases established over several decades, are not legally recognised.

→ *Education reform and vocational education – Bosnia and Herzegovina*

Education reform is a key priority in Bosnia & Herzegovina, and the OSCE Mission to BiH plays an integral role in co-ordinating and facilitating the reform efforts. Education and the economy go hand in hand and reform priorities include modernizing the system to ensure that activities are responsive to labour market needs and students are well-equipped to find competitive jobs after graduation. Of particular relevance is the work of the Education Working Group for Quality and Modernisation of Vocational Education and Training (VET). This working group recently opened its doors to additional stakeholders from the economic field and is reviewing means to improve the labour market relevance to VET education by promoting entrepreneurship skills and introducing entrepreneurial training at VET secondary schools.

→ *Economic Analysis in the Energy Sector - Georgia*

The Mission conducted a political analysis in the energy sector through August 2003, focusing on changes in the electricity and gas sectors. The monthly analysis focusing on exchange rate fluctuations and the banking sector of the Georgian economy was established in autumn to assist the Mission's finance department in operational decision-making and programmatic planning.

→ *Regional Conference on “Dispute Resolution as an Instrument to facilitate SME Operations in the Business Environment”- Kyrgyzstan*

The OSCE Centre in Bishkek in co-operation with the Secretariat on Foreign Investment organised a two-day Regional Conference on “Dispute Resolution as an Instrument to Facilitating SME Operations in the Business Environment”, which took place on 10-11 November 2003 in Bishkek.

The objective of the conference was to discuss and to determine how dispute resolution mechanisms might play some role as an incentive for SMEs to enter into the market, and create a favourable business environment in Central Asian States. Furthermore, the conference aimed at promoting the establishment of alternative dispute resolu-

tion mechanisms at both national and regional levels. The participants identified as main priorities the establishment of a Regional Information Centre and a library on arbitration, and building capacities of local judges, experts and arbitrators on commercial dispute resolution by providing training and educational programmes.

→ *National Forum on Third Party Arbitration - Kyrgyzstan*

As a follow up to the recommendations of the First and Third Preparatory Seminars for the 12th OSCE Economic Forum, the OSCE Centre in Bishkek provided funds to a National Forum on Third Party Arbitration in Kyrgyzstan. The Forum aimed at encouraging discussion and support for draft amendments to the Civil Procedure Code, and raise public awareness about the creation and use of private sector institutions for third party arbitration. The Forum took place in mid March 2004.

→ *National Business Opinion Survey in Kyrgyzstan*

The OSCE Centre in Bishkek provided funds for a national business opinion survey in Kyrgyzstan. The survey aimed at improving the business environment for SME development in Kyrgyzstan by analysing the real situation in the SME sector and the perceptions and opinions of businesses about the current business environment and changes required.

→ *Kyrgyz Political Economy: Moral Perspectives on the Transformations of the Society - Kyrgyzstan*

The OSCE Centre in Bishkek will provide funds for research on the Kyrgyz political economy. The project will explore how market, social and moral values affect social relationships as individuals and institutions come to terms with the market economy. The project aims to explore how the economy is morally embedded, so that the objectives are to paint how daily economic practices are replete with moral dialogues of responsibilities of various forms and intensity, and how they are discussed and resolved. The project also aims to investigate to what extent there are emerging or differing moral consensuses on various topics within the market society.



Eric Gourlain

*"Social and moral values affect social relationships as individuals and institutions come to terms with the market economy".
A Market in Bishkek, Kyrgyzstan*

→ Institutional Capacity Building in Montenegro - Serbia and Montenegro

Two projects started during 2004 to contribute to the economic development of one region in northern Montenegro and six municipalities on the coast.

In northern Montenegro, formal support and co-operation was achieved by institutionalizing the task force and signing a Memorandum of Understanding and Co-operation for the development of the Bjelasica and Komovi regions. The project included the organisation of four workshops. On the coastal area, the objective was to enhance the capacity of employees of local governments to engage in effective communication with international and local investors and donors, as well as to effectively and professionally manage projects by which municipalities would be able to attract more potential investors and donors. Training in (1) strategic planning, (2) project management, (3) negotiation skills and (4) conflict management, was planned for staff of Herceg Novi, Kotor, Tivat, Budva, Bar and Ulcinj.

→ Survey of Tajik Industry - Tajikistan

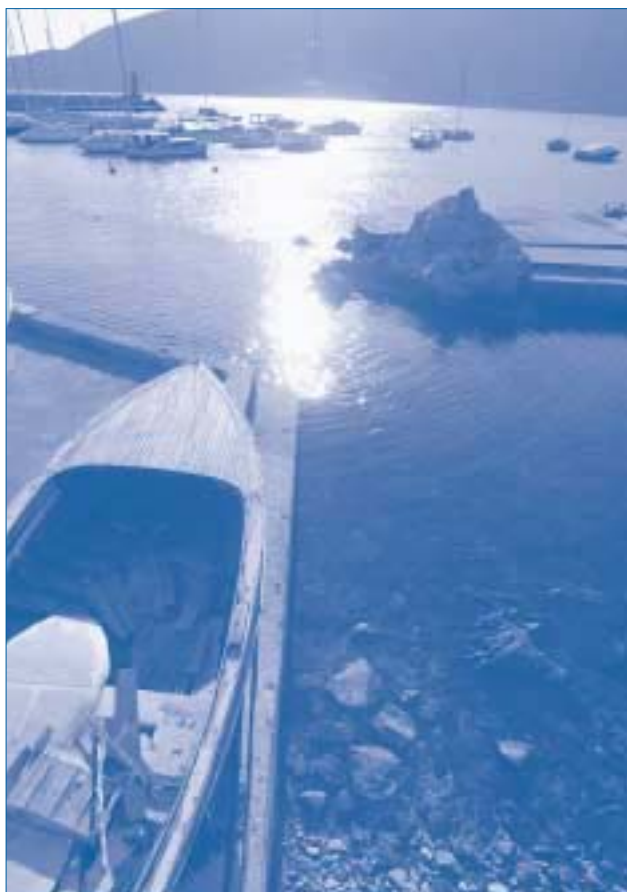
The objective of the project was to collect information and to get a proper picture of the present state of Tajikistan's industrial enterprises and of the type and scope of the challenges at hand. Furthermore, the project was expected to generate important information about potential beneficiaries in future economic development projects, financed by either the OSCE or by other donors. Also, the project was expected to provide the OSCE with interesting input on the state of affairs in Tajikistan's industrial enterprises, a part of society that has a direct and indisputable impact on the country's security situation.

→ Improvement of Taxation Mechanism for SME - Turkmenistan

The OSCE Centre in Ashgabad assisted the State Tax Service in its attempt to improve the taxation mechanism, especially with regard to SMEs, by developing the respective software, training the staff to operate the revised mechanism and by providing user information to the business sector. Hardware was also provided for the development of the mechanism. A users' guide-book was prepared and distributed. Activities continued from July until the end of 2003. Selected follow-up actions are planned for 2004.

→ Production of a Guide-book on State Support to SMEs - Turkmenistan

The project aims at raising the level of awareness of businessmen and fiscal and other relevant government officials of the ways and mechanisms SMEs activities are supported with public funding, or training and information sharing, organised by state authorities. The first phase of this project comprises the compilation, printing and contents analysis of a book about the state and public support to SME in selected countries, planned for April 2004. A follow-up training event is envisaged.



OSCE/Miljan Obradovic

Herceg Novi, a town on the Montenegrin coast.

→ *Review of Turkmen Legislation on Enterprise Activities - Turkmenistan*

The aim of this project was the review and publication of legislation dealing with enterprise activities. The initial intention was to contract local NGOs to perform the tasks, but due to the prolonged uncertainty about the newly introduced registration requirements, two local legal experts were commissioned as consultants. The resulting booklet was completed and printed in January 2004, and distributed to the business community.

7.3 Promoting the Access to Finance and Investment

→ *Micro Finance Practitioners' Conference - Azerbaijan*

On 5-6 December 2003, the OSCE Office in Baku organised a Micro-finance Practitioners Conference in co-ordination with the Azerbaijan Micro-finance Association. As the Micro-finance industry in Azerbaijan provides critical support to the development of SMEs, particularly in the less-developed regions outside of Baku, the aim of the Conference was to consolidate and promote best practices while developing strategic plans for the industry. The Conference gathered all the international micro-finance agencies, relevant Azeri Government officials, and international donor organisations in Azerbaijan to discuss themes such as agricultural lending, arrears management, commercialisation of micro-finance, internal control, and regulatory affairs.

→ *Promoting the Access to Finance and Investment in Kazakhstan*

The project, started in December 2003, aims at improving performance of finance institutions. It includes a training on Microfinance Impact Assessment for credit societies specialists from five regions of Kazakhstan, already held in Almaty in December 2003. A self-assessment is to be conducted by the participants of the training at their respective organisations during three months as well as a summary conference is planned for August 2004.

→ *Community-based economic development in the Ishkoshim district - Tajikistan*

The overall objective of the project was to increase the capacities of Village Organisations and Committees of Village Organisations in the Ishkoshim district to function as indigenous, community-based development agencies. The objective was achieved by training key personnel in financial management and local planning methodology, and by providing the Committees of Village Organisations with micro credit funds.

Financial Management trainings were conducted for 144 beneficiaries, and Village Management Planning trainings for more than 1.800 beneficiaries.

→ *Conversion of the Zherebkovo military town - Ukraine*

This project aimed at fostering the socio-economic development of the former military town of Zherebkovo. The implementing organisation developed and concurred with local authorities an action plan that envisages the creation of a local economic development model to solve the most pressing issues the community is facing. The next phase will be the creation of a credit union to provide local entrepreneurs with financing, and a series of training seminars targeting the local community. The project will also assist the Zherebkovo community in developing the industrial zone concept based on innovative technologies of growing and processing of agricultural products. The project completion is due in May 2004.

→ *Economic Prosperity through Investment Promotion (EPIP) - Ukraine*

EPIP will contribute to improved investment prospects of the Rivne region in Ukraine through an integrated investment promotion approach. This approach envisages close co-operation of businesses, local authorities and international institutions that are looking for investment opportunities. The project will organise a study trip to neighbouring Poland for local businesses and authorities to learn from Polish experiences in attracting investments. There will also be assistance rendered to the Rivne regional administration in organising an investment fair in the Rivne region.



Commander of the military town Zherebkovo presents military base infrastructure. Odessa region, Ukraine.

OSCE

8. Activities in the Environmental Dimension

Environmental degradation, resource scarcity, the uneven distribution of natural resources or resource abundance are emerging as potential triggers or accelerating factors of tensions within and among nations. Environmental decline and resource scarcity do not normally cause conflicts by themselves, but are one strand within a complex web of causality, in which a series of socio-economic problems – such as population pressure, poverty, migration, refugee movements, political instability and ethno-political tensions – are intertwined. Environmental degradation and natural resource scarcity are both causes and outcomes of these socio-economic problems or are intensified by them. The increasing scarcity of freshwater resources, the loss of ground cover vegetation, desertification, global climate change and rising sea levels are primarily the outcome of human-induced transformation processes and the result of resource-intensive, partially resource-wasting patterns of production and consumption, and of inadequate agricultural practices. In combination with the above-mentioned socio-economic problems, they can pose substantial risks to national and international security.

On the other hand, measures that reduce environmental stress, guarantee access to vital resources and remove economic incentives for conflict, present opportunities for enhancing regional co-operation, human security and building sustainable peace. Environmental co-operation can strengthen mutual trust and be a basis for deeper peace-building and sustainable human development.

Through the activities catalogued in this report as (1) Environment and Security, (2) Hazardous Waste and (3) Water and Security, OSCE aims at enhancing peace and stability by (a) fostering co-operation where the environment or natural resources are pertinent to potential conflicts and the environment or natural resources are part of the solution; (b) promoting environmental peace-making where the environment or natural resources are less pertinent to the potential conflicts but may be a pathway to redress the problem. Another strand of OSCE activities in the environmental field deal with systematically (4) promoting environmental awareness and (5) building the capacity of decision makers and other stakeholders as a priority in promoting civil society strengthening and in reducing the potential implications for social and political stability related to environmental risks.

8.1 Launching the Environment and Security Initiative

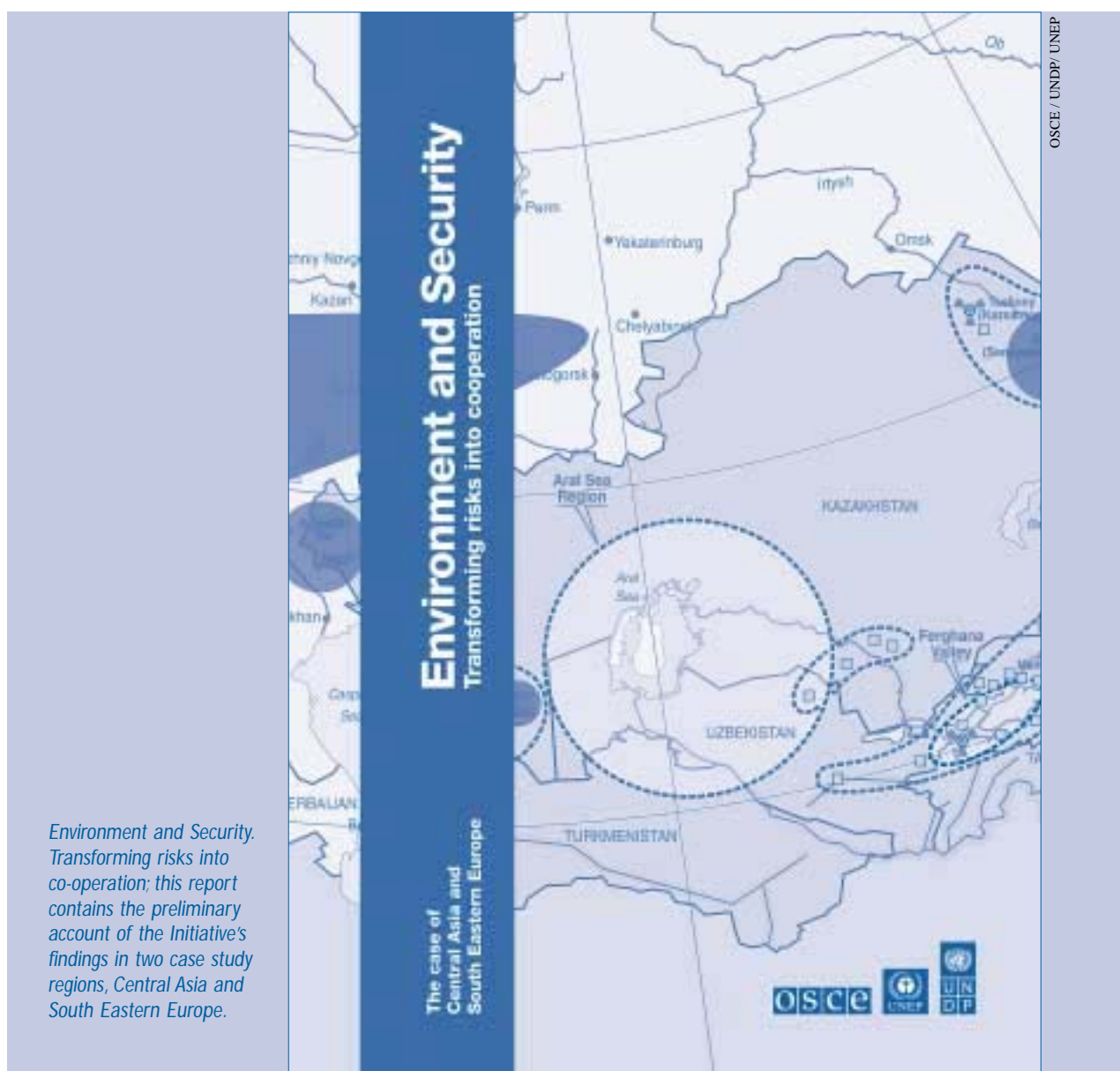
The OSCE, UNDP and UNEP sign an agreement on new efforts to fight environmental threats to security.

Environmental degradation and resource scarcity alone does not lead necessarily to armed conflict. However, where unresolved problems are already present, environmental degradation can be the spark that ignites an explosion. It is in recognising this fact that three international organisations have come together to abate environmental threats to security. The strength of this joint initiative lies in its ability to combine the distinct expertise of each organisation to address issues from the environmental, social and security angles.

Under an agreement signed in Vienna on 14 November 2003, the OSCE, the UN Development Programme (UNDP) and the UN Environment Programme (UNEP) will jointly address problems such as water scarcity, hazardous waste, soil degradation and pollution, which can become destabilising factors in already sensitive regions.

The agreement formalises the already ongoing co-operation between the three organisations under their joint **Environment and Security Initiative (ENVSEC)**.

The ENVSEC initiative was launched in 2002 when the three organisations decided to join forces to assess environmental problems in two pilot regions, south-eastern Europe and Central Asia. Its aim is to assess and focus attention on the links between competition over natural resources and environmental degradation on the one hand and security concerns such as food and water scarcity, environmental disasters and large scale migration on the other. At the same time the initiative recognises that environmental conservation can be used as a tool for strengthening regional co-operation and building confidence. The outcomes of the first phase were presented in the form of a report visualising threats in maps at the Kiev “Environment for Europe” Ministerial Conference and in parallel at the OSCE Economic Forum.



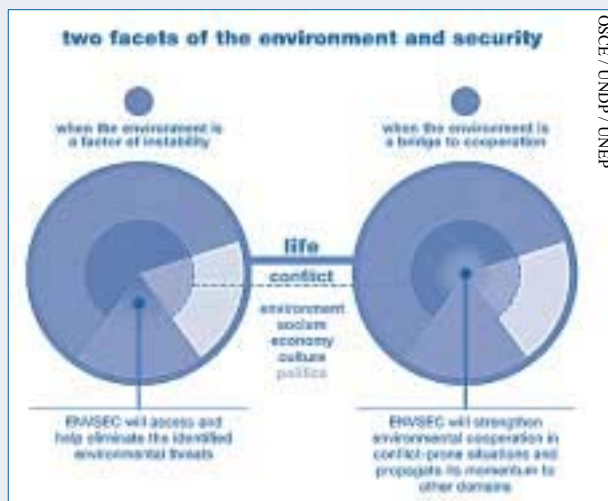
The problems the concerned regions are facing are tremendous. Pollution from heavy industry including Uranium mining sites, leaking dumps of hazardous waste, legacy of war and war related industries such as test sites for nuclear and chemical weapons pose risks to human security. Another, related threat comes from competition over scarce natural resources such as bio diversity, soil, and water. The shrinking of the Aral sea in Central Asia represents a unique disaster with a sequence of devastating environmental and socio-economic effects.

According to the ENVSEC partners, in order to prevent tensions from arising, there is a need to build human and institutional capacity to deal with threats before they become unmanageable. Three areas deserve special atten-

tion when considering the role the international community can play to this respect: a) the need to assess the vulnerability to environmental degradation and develop early warning and rapid reaction mechanisms; b) build human capacity and foster participatory decision making processes; c) develop institutional, legislative and policy frameworks.

The ENVSEC work programme for 2003 – 2006 is built around these three pillars. In addition to the pilot regions, the three-year work programme will also cover the countries of the southern Caucasus and Eastern Europe. Furthermore, the ENVSEC Initiative is a process open to other partners and in January 2004 NATO officially put forward a request to associate itself to the programme.

ENVSEC



Two facets of the environment and security

Mark Halle, International Institute for Sustainable Development

“Amazingly enough this is the first time an environment agency, a security agency and a development agency have co-operated around the theme of environment and security”

Marcin Świącicki , the Co-ordinator for OSCE Economic and Environmental Activities

“The first phase of ENVSEC served to identify the critical issues and areas under threat. Now comes the real work to put these issues higher on the political agenda and facilitate action to deal with the threats.”

Klaus Toepfer, Executive Director of UNEP.

“If you make your neighbour the beggar of your well being, the neighbour will not be very happy. This is the basis for tensions and we have a lot to do in this field”

Jean Fournet, NATO Assistant Secretary General.

“The ENVSEC Initiative provides an excellent framework for expanding our co-operation. By putting our forces together, the four organisations – UNEP, UNDP, OSCE and NATO will have a much greater impact on security. Each organisation, as well as the countries involved, will benefit”.

8.2 Tackling Hazardous Waste

→ Neutralisation of hazardous wastes and rehabilitation of polluted lands as a factor of socio-ecological stability- Georgia

The mission supported putting a number of measures in place in the Akhalkalaki region prior to the withdrawal of Russian troops from the Akhalkalaki Military Base in order to alleviate some of the inevitable negative consequences of the withdrawal. This project represents the beginning of a process which will in the long term facilitate the eventual withdrawal and assist the local population in alleviating its economic and environmental impact.

→ Radiological map of Aktau– Kazakhstan

The main goal of the project was to inform the people living in Aktau about the radiological situation of the city and its surroundings due to existing radiological contamination from closed uranium production and processing facilities and a tailing dump. Another outcome was to provide local environmental authorities with information for

cleaning. The results were summarised in a map and published in the local media.

→ Radiological maps of the cities of Aktobe and Khromtau - Kazakhstan

The present project, carried out together with the Aktobe Regional Territorial Environmental Protection Administration replicated the success experience of the Aktau project. The maps were disseminated in order to raise general awareness on the issue and to stimulate grassroots initiatives on pollution prevention measures. In addition, as a result of the project, a serious radiological contamination was revealed.

→ Information systematizing and awareness raising on the Semipalatinsk nuclear testing ground and the surrounding territory - Kazakhstan

In the framework of the project, materials on multiple projects conducted by various international and non-governmental organisations and research institutions will be collected and systematised. On their basis a series of lec-

tures will be prepared for local population on the state of villages and towns surrounding the testing ground, radiological safety of population and other aspects relating to consequences of nuclear tests. The project will be conducted together with the National Nuclear Forum in March-October 2004.

→ *Mailuu-Suu Radioactive Waste Tail Dump Area - Kyrgyzstan*



Once a high-capacity industrial centre in Kyrgyzstan, Mailuu-Suu has now become a serious ecological threat to Central Asia.

The OSCE Centre in Bishkek, in co-operation with the Ministry of Ecology and Emergencies, held 3 workshops with scientific experts

aimed at assessing technical problems posed by radioactive waste dumps at Mailuu-Suu in the south of Kyrgyzstan, which threaten the whole region with radioactive pollution.

→ **The OSCE Scientific Experts Meeting on the Assessment of Technical Problems of the Mailuu-Suu Radioactive Waste Tail Dump Area in the South of Kyrgyzstan – April 2003**

The aim of this assessment meeting was to form a technical and tactical task force, to sum up and process expertise and knowledge and to draw operative conclusions. The meeting included an assessment trip to Mailuu-Suu itself. The participants to the meeting recommended to create a technical database on all activities implemented and related to studying and analysing geological and natural environment in the area of Mailuu-Suu town to support remedial activities.

→ **International Workshops on the Creation of Scientific-technical Database for the Rehabilitation of Uranium Tailings in Mailuu-Suu, Kyrgyzstan – July 2003**

The workshop aimed at implementing the conclusions and recommendations of the OSCE Scientific Experts Meeting in April. Participants of the work-

shop presented reports on completed projects related to Mailuu-Suu tailings, landslides problems and the environmental situation.

The workshop ended up with setting up a steering committee for the management and co-ordination of actions related to the creation of a scientific-technical database, and creating three working groups (Radio-ecological and medical group, Geohazards group, Public information group) to select and systematise the existing materials for the creation of a scientific-technical database.

→ **Follow-up Workshop to Report on the Progress of the Mailuu-Suu International Database and to Exchange Views on Other Regionally Important Uranium Mine Tailings – October 2003**

The workshop was dedicated to discussions on the progress of the creation of a scientific-technical Mailuu-Suu database. Furthermore, it focused on the exchange of views among participants about other regionally-important uranium mine tailings sites. At the end of the workshop, a “Bishkek Declaration: Uranium Legacy Issues” was adopted by the participants.

The data presented at this workshop, together with other relevant reports and information, were gathered together in a scientific-technical database to support rehabilitation efforts at Mailuu-Suu. Accessible online, it would be an effective resource for those working on the issue, providing documents, maps, photographs, technical drawings, and radioactive and chemical measurements.

→ *Public information campaign “Life Safety in Mailuu-Suu”*

The OSCE organised a week-long public information campaign in Kyrgyzstan aimed at raising awareness of the health problems posed by radioactive waste dumps at Mailuu-Suu in the south of the country, which threaten a wider region with pollution. The campaign, called “Life Safety in Mailuu-Suu”, was a joint undertaking of the OSCE Centre in Bishkek, the Science-Engineering Centre “GeoPribor” and the Kyrgyz National Academy of Sciences. It was carried out between 12 and 16 January 2004.

At the local level public awareness of the threat remains alarmingly low. Citizens of the Mailuu-Suu region continue to walk freely among dangerously contaminated and poorly marked sites. The people have often appropriated land on such sites to graze their livestock and used radioactive earth to craft building materials for their homes. The citizens, especially the children of Mailuu-Suu town, are unaware of the dangers, and do not know how to live safely in a contaminated environment.

The campaign started with the presentation of a brochure on possible dangers from radioactive waste and guidance for prevention of health hazards to all staff of the town administration, primary and secondary schools and a medical college in Mailuu-Suu. One thousand copies of the brochure in the Kyrgyz and Russian languages were disseminated in the area.



A brochure on public safety and the dangers of radioactive waste was presented to city administration, medical professionals and heads of organisations during a public awareness campaign in Mailuu-Suu, 14 January 2004.

→ **International Conference on the Emergency Preparedness for and Response to Environmental Security Risks in the Central Asian Region - Kyrgyzstan**

An international conference aimed at strengthening bilateral co-operation on environmental security issues between the Kyrgyz Republic and the Republic of Tajikistan was held in Bishkek on 18-19 December 2003. It was organised by the OSCE Centre in Bishkek in co-operation with the Governments of the Kyrgyz Republic and the Republic of Tajikistan.

The two-day conference entitled “The Emergency Preparedness for and Response to Environmental Security Risks in the Central Asian Region” provided an opportunity to discuss environmental security risks in the region, as well as legal, institutional, financial and political frameworks for reducing natural and environmental hazards.



A water pipeline near Dushanbe.

OSCE/Lubomir Kocek

Kyrgyzstan and Tajikistan reached an agreement to enhance co-operation and develop a common approach and co-ordinated policies on eliminating and/or reducing environmental security risks, which represent real threats to environmental security in the whole of Central Asia.

Increase awareness among civil society on the danger of Uranium tailings

The Osh Field Office visited the Mailuu Suu town located in the Jalalabat Province in order to get information about the environmental situation in the region. In Mailuu Suu tailings of an old uranium mine have radionuclide concentrations above the exemption limits. The people, especially the children of Mailuu-Suu are little informed about the risks involved. The Office held a series of meetings with state officials and the civil society in order to identify any solutions or assistance needed for the town residents to prevent environmental contamination and save the people from contamination. A local Mailuu Suu based NGO of high school teachers proposed to develop 3 training programs for the 3,750 school-children and teach all of them during one year about the dangers of contamination.

8.3 Linking Water and Security

→ *Support for the Creation of a Commission on the Chu and Talas rivers between Kazakhstan and Kyrgyzstan*

The objective of the project is to assist Kazakhstan and Kyrgyzstan in implementing the provisions of the Agreement on Utilisation of the Water Facilities of Interstate Use on the Chu and Talas Rivers between the Government of the Republic of Kazakhstan and the Government of the Kyrgyz Republic of 21 January 2000.

The project entered its operational phase in December 2002 and is being implemented by the Water Resources Committee of the Ministry of Agriculture in Kazakhstan, the Water Management Department of the Ministry of Water Management, Agriculture and Processing Industry of the Kyrgyz Republic, the Organisation for Security and Co-operation in Europe (OSCE), the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), the United Nations Economic Commission for Europe (UNECE) and the Lake Peipsi Centre for Transboundary Co-operation. The project is funded by the UK and Swedish Governments.

The first project meeting took place in Bishkek, 9-10 April 2003 within the framework of the 11th session of the Project Working Group of the SPECA project "Rational and efficient use of energy and water resources in Central Asia". The second project meeting took place in Almaty, 7-8 July 2003. The third meeting was held in Bishkek, 5-7 November 2003.

→ *Technical Assistance to the Interim Sava River Commission*

The OSCE supported the Framework agreement on the Sava River Basin signed on the 4th of December 2002 by the four riparian states of the Sava River (Republic of Croatia, Bosnia and Herzegovina, Serbia and Montenegro and the Republic of Slovenia).

The OSCE supports the development of protocols for the Framework Agreement, and it is working together with the Regional Environmental Center for Central and Eastern Europe (REC) to produce the first drafts of the protocols on Transboundary Impacts, Emergency Situations and Flood Control.

The OSCE is also developing a Project Proposal to develop a Network of Local Actors from the Sava River Basin



OSCE Mission to BiH

The Sava river at Bosnia and Herzegovina. The OSCE supports the Framework Agreement on the Sava River Basin

on Water resource Management. The Project will promote regional co-operation by improving the management of the Sava river basin and thereby improving water quality. Moreover the initiative will encourage the public to participate in the decision making process.

In December 2003, the OSCE Mission to Bosnia and Herzegovina, together with the Regional Environmental Center, organised a conference in the District of Brcko on the involvement of citizens and civil society partners in the implementation of the Framework Agreement on the Sava River Basin.

→ *South Caucasus River Monitoring*

The OCEEA and the OSCE field presences in the South Caucasus, in co-operation with the NATO Science for Peace Programme, are supporting the project entitled "South Caucasus River Monitoring".

The implementation of the project started in November 2002 and will be completed in 2005. The project's objective is to re-establish a regional water monitoring system. The project will increase local technical capabilities, establish standard sampling and analysis techniques and will create a model sharing system accessible over the internet. The methodology includes sample and data collection preparation, training, expeditions, laboratory analysis, data management and watershed management infrastructure and system development. Data will be compiled in a unified database placed on a internet site managed by



Conduction of test analyses are the first steps to compile a database for the South Caucasus River Monitoring Project.

the University of New Mexico, permitting free access to all end users.

The project is funded by the NATO Science for Peace programme, and through the OSCE, by Sweden and the Norwegian company Statoil.

The first annual progress review meeting of the project was held in Yerevan on 18 – 20 November 2003. The meeting allowed the review, discussion and assessment among the Co-directors and Principal Specialists of the progress made in the first year of implementation of the project.

South Caucasus River Monitoring – Achievements.

- Procurement, installation, testing and use of field and laboratory equipment.
- Conduction of test analyses.
- Pilot field trip to implement protocols for sampling, treatment and preservation of samples.
- Laboratory analyses of samples.
- Training of young researchers in Belgium and Norway.

→ **Introducing EU Water Framework Directive - Belarus**

The OSCE Office in Minsk developed with the Ministry of Natural Resources and Environmental Protection and TACIS a project to continue the work started by TACIS in 2002. A comparative analysis on EU and Belarus Water Legislation was completed and presented for discussion to water managers from all the regions. Two guidebooks, one for water specialists and one for the general population, were developed on the basis of recommendations made during the seminar. One thousand five hundred copies of the guidebook were distributed throughout Belarus.

→ **Conference on the sustainable development of the Balkhash region – Kazakhstan**

The conference was conducted in Balkhash in October 2003 together with the NGO “Tabigat”. The main goal of the conference was to draw attention to the ecological problems of the Balkhash region and to discuss possible solutions. During the conference, participants had an opportunity to visit a factory and to receive comprehensive information about the environmental situation of the Ili-Balkhash water basin. A brochure on results and findings of the conference was published.



A factory in the Balkhash region

→ **Workshop “Ili-Balkhash water basin: problems and solutions - Kazakhstan**

The project aimed to contribute to the improvement of the ecological situation of the Balkhash eco-system by raising awareness and promoting dialogue between the government, public and international community. It included the development of a draft law on assigning the status of a national park to the Ili-Balkhash water basin, to be presented at the workshop, preparation of concrete project proposals for potential donors and the publication of a brochure.

→ *Raising awareness on water use in the Ferghana valley – Kyrgyzstan*

A co-operative approach by Ecological NGOs of Kyrgyzstan, Tajikistan and Uzbekistan aiming at building bridges between the different societies. The project will create a network of NGOs, improve their ability to assess the legal rights of communities, the reasons of conflicts related to water use at village and national level and strengthen their function to bring communities together and raise their awareness on solutions in the form of seminars, publications on examples of best practice.

→ *Regional Round Table of Ecological NGOs - Kyrgyzstan*

The Osh Field Office monitored a Regional Round Table of the Ecological NGOs held in Jalalabat Province, Kyrgyzstan on 17 September 2003. The two organizing ecological NGOs “Tashtar Ata” from Osh province and “Biota” from Jalalabat Province invited representatives of 15 environmental NGOs as well as state officials working on water from Tajikistan, Uzbekistan and Kyrgyzstan. The participants discussed the conditions for peace or conflict between states or ethnic groups; and the role of different environmental NGOs in the Ferghana valley to lessen such threat for a possible conflict.

Participants agreed that unequal access to water and not transparent water management already creates conflict situations between different ethnic and geographical groups and between the states. They could name many local examples of this and additionally of intergovernmental agreements which are not observed, the participants agreed that NGOs can play an active role to prevent such conflicts.

For that reason a network of NGOs from the three countries of the Ferghana valley should be established in order to investigate and explore the problems, formulate programmes, attract investments, lobby draft laws in each country and lessen conflict situations.

8.4 Promoting Environmental Awareness

8.4.1 Raising Awareness and Environmental Education

The OSCE engages in Education for Sustainable Development together with the Regional Environmental Center for Central and Eastern Europe (REC).

The OSCE and REC have decided to work together to develop a version of the REC Green Pack that takes into account the links between environment and security. In an informal exchange of letters the two organisations have agreed on division of responsibilities and to roll out a joint pilot programme in Serbia and Montenegro. The Green Pack is an educational tool directed at school children and aiming at fostering values and encouraging children to think about how they and their families can take responsibility for protecting and improving their environment.

Education and raising awareness are viewed as fundamental tools in changing patterns of social and economic behavior as it affects the environment by integrating environmental concerns and the concept of sustainable development into people’s conscience from a young age. New approaches and increased, intensified efforts are called for in education and in raising public awareness.

Focus should be on strengthening citizens’ rights so that civil society can play a full and active role both in the formulation of policies and in their implementation. Well informed citizens are a powerful driver for sustainable development. As consumers they make choices and drive the market for environmentally friendly products and services, and as citizens they take part in decision making processes and affect governments through their voting power. It is also our belief that well informed and empowered citizens are a guarantee for democracy, stability and security.

Considering the post conflict situation in Serbia & Montenegro the project will also look specifically at environmental issues as a source or trigger of conflict and as a tool for co-operation. The activity will take into account results from assessments done as part of the OSCE/UNDP/UNEP Environment and Security Initiative (ENVSEC) and feed them into the Green Pack and thus ensure a wider awareness about environment and security links.

Planting trees – Albania



In the framework of raising awareness among citizens about their role in preserving the environment, the OSCE Presence in Albania supported the local NGO “Ecological Club of Tirana”, with a project for planting trees in the Park of Tirana Lake, on 13 March 2004.

The activity fits well into the priority of the Bulgarian Chairmanship of the OSCE in 2004, and with the promotion of Education for Sustainable Development in the EEC-CA region, which was identified as a top priority at the Fifth Ministerial Conference “Environment for Europe,” in Kiev, last year. It is also a timely activity taking into consideration that the United Nations Decade of Education for Sustainable Development will commence in 2005.

→ *Seminar on education for sustainable development - Armenia*

The OSCE Office in Yerevan, in co-operation with the UNDP and the NGO “Association for Sustainable Development” organised a two-day seminar on the relationship between education and sustainable development. During the seminar the representatives of the environmental NGOs and Universities from Armenia, Azerbaijan, Georgia and the Russian Federation shared their experiences. As a result a joint programme for the upcoming “Decade of Education for Sustainable development” was elaborated.

→ *Raising the Environmental Awareness among Students and Schoolchildren - Armenia*

The OSCE Office supported “Khazer”, an ecological and cultural NGO, to publish a series of environmental brochures for students and schoolchildren. The publications will then be disseminated in schools and universities of Yerevan as well as the provinces.

→ *Youth Ecological Training Programme – Azerbaijan*

The Office initiated a Youth Ecological Training Project in co-ordination with Ecosphere, a local ecological NGO. The Project included a training component for approximately 250 high school students in eight regions of Azerbaijan on a variety of environmental topics. It encouraged community service projects to be initiated at the end of the training.

→ *Environmental education projects in schools – Bosnia and Herzegovina*

The OSCE Mission has helped support these school initiatives both through funding assistance (prizes and helping find a donor) and by advocating, for instance, the inclusion of special needs children into the project. In Sanski Most, 2,000 students from seven schools participated in a town cleaning. In Drvar, the Primary School received funding to clean their school yard and plant a garden. Students from two schools in Mostar, one from East and one from West Mostar, collaborate alongside special needs children on ecology gardens at both schools, learning together about the environment and garden maintenance.

→ *Environmental Compact Disk - Kazakhstan*

An environmental Compact Disk was prepared, published and distributed to environmental NGOs, libraries and specialists. It contains information on various environmental-related issues, including local and international legislation, specially protected areas, rare species, list of environmen-



Ecology projects have proven a useful tool for bringing students together. Environmental education projects, Bosnia & Herzegovina.

tal funds, etc. The project was carried out in co-operation with the Resource information-analytical centre “Wild Nature Laboratory” and Public centre of wild nature protection “Arlan”.

→ *Promotion of Environmental Education in secondary schools - Kazakhstan*

This one-year project is designed to help develop an environmental education programme for secondary school teachers, reform current legislation on education and environmental protection, and create a video and printed library on environmental education and education for sustainable development. The first meeting of the Working group on environmental education including representatives of the Ministry of education and science, Ministry of environmental protection, and NGOs was held in January 2004. Representatives of the working groups from other Central Asian countries participated. The project is carried out together with the Regional Environmental Centre for Central Asia.

→ *Advocacy of Environmental Awareness in Secondary Level Education - Turkmenistan*

Raising the level of schoolchildren’s awareness of environmental issues in general was the immediate objective of this project. The first training seminars took place in late

2002 and early 2003. The second phase took place in 2004. A guide-book is under preparation.

8.4.2 Implementing the Aarhus Convention

→ ***Establishment of a Public Environmental Information Centre - Azerbaijan***

An information centre to promote public access to environmental information and encourage participation in decision-making in environmental affairs was opened on 23 September 2003 by the OSCE Office in Baku and the Ministry of Ecology and Natural Resources of the Azerbaijan Republic. The Centre provides governmental, scientific,

and non-governmental organisations engaged in environmental activities with free access to a library, the Internet and conference room facilities. The Centre serves as a link between those interested in environmental policy-making and implementation in Azerbaijan. It is run by a board of experts representing NGOs, the Ministry of Ecology and Natural Resources and Parliament, and it is supported by an Advisory Board composed of representatives of the donor community and diplomatic missions.

Several Projects were organized in the framework of the Public Environmental Information Center:

Training Workshop for Environmental Journalists - November 2003

The workshop was conducted by trainers from the BBC Office in Yekaterinburg. The 5-day seminar included modules dealing with: media issues, ethics of journalism, investigative journalism, preparations of printed reporting and radio and television shows devoted to environmental issues.

Youth Congress for the Environment - November 2003

The delegates at the congress were winners of a regional environmental competition run by the Youth Ecological Training Programme providing environmental edu-



Peter Burkhard, Head of the OSCE Office in Baku (right), and Hussein Bagirov, Azerbaijan's Minister of Ecology and Natural Resources, officially opened the environmental information centre in Baku, 23 September 2003.

ation for schoolchildren. The event was sponsored in co-ordination with the Azerbaijani NGO Ecosphere.

Training Workshop for Environmental NGOs - November 2003

In the course of the workshop more than twenty Azeri environmental NGOs received training in NGO management, fund-raising, grant writing, and financial management. The Russian environmental training centre "Golubka" provided input to the workshop.

Environmental Journalism Awards - January 2004

The Competition for Environmental Journalism was organised to promote the development of environmental journalism in Azerbaijan. Over 50 journalists submitted 121 articles for consideration, the criteria for the selection included the relevance of the article for Azerbaijan, public awareness, style, persuasiveness and balance, and professionalism.

→ Raising Awareness of the Aarhus Convention - Belarus

Following the recent signing of the Aarhus Convention by Belarus, the OSCE Office in Minsk worked with the Ministry of Natural Resources and Environmental Protection and the NGO "Eco-Prava" to develop an analysis on environmental legislation. The analysis was published in a guidebook and presented to Belarusian judges representing all the regions and to students of the Law faculty of the Belarusian State University. One thousand five hundred copies were distributed to judges, students and libraries throughout Belarus.

→ Public Environmental Information Centre - Georgia

The Mission initiated discussions with the host government and civil society on the development of a Public Environmental Information Centre. The Centre will support access to official information on environmental issues and build trust between the government and civil society organisations working on environmental matters. To that end, a site available to both government and the NGO and civil society is proposed as the best solution.

→ Public Environmental Information Center - Tajikistan

The OSCE Centre in Dushanbe has been building upon the solid foundations laid last year, when several awareness-raising workshops were held on the Aarhus Convention. In 2003 several projects and seminars focused on further awareness raising activities and implementation of the provisions of the document. The result was the establishment of the Dushanbe Aarhus Information Resource Centre in September 2003.

Under the umbrella of the centre two main events were organised:

Third Regional Festival on Environmental Journalism – October 2003

The Festival increased the public access to environmental information, media coverage of environmental issues in the region and continued to promote and encourage environmental journalism in Central Asia. In addition, the Festival provided further networking and training opportunities for Central Asian environmental journalists.



Students in Tajikistan participating in OSCE-supported training workshops learn about nature protection, July 2003.



Head of the OSCE Office in Yerevan, Vladimir Pryakhin (right), presents an award for best radio journalist to Heghine Buniatian from Internews Armenia, 12 January 2004.

discuss corporate social responsibility as a tool in promoting better environmental policies and sustainable practices.

→ *Creating a Trans-boundary Biosphere Reserve - Belarus*

The OSCE Office in Minsk in collaboration with the National Academy of Sciences and the Belarus Man and Biosphere Committee undertook a project to complete all the steps required for an application

Ensuring compliance of Legislation with the Aarhus Convention.

The Centre in Dushanbe provided an international consultant whose conclusions and recommendations were presented – in Russian, Tajik and English - to governmental and non-governmental actors.

8.5 Building the Capacity of Decision Makers and other Stakeholders

→ *Environmental Award competition for Journalists - Armenia*

The OSCE Office in Yerevan and the NGO “Environmental Survival” held the “Environmental Award Competition for Journalists” to foster the role that journalists play in raising awareness of population on environmental problems. The award identified the best newspaper article, TV show and radio broadcast on environmental issues. Apart from monetary awards, the winners also got special certificates signed by the Head of the Office, at a ceremony on 12 January 2004.

→ *Corporate Social Responsibility Conference -Azerbaijan*

The Office, in co-ordination with the Business Development Alliance, sponsored a conference on Corporate Social Responsibility and the Environment on 29 October 2003. The Conference brought environmental and public relations managers from leading international and Azerbaijani companies together with representatives of the Azerbaijan government and local environmental NGOs to

to UNESCO to create a transboundary Biosphere Reserve in West Polessie. The concluding seminar held in the Belarusian Biosphere Reserve “Belaveshkaya Pushch” was attended by senior representatives from the Polish and Ukrainian UNESCO Man & Biosphere Committees. The successful completion of the project has enabled Belarus to make an application to UNESCO for protected status of the joint Biosphere Reserve in West-Polessie.

→ *Journalist Competition on Coverage of Environmental Business - Kazakhstan*

The Competition, conducted together with the Ecological Press Centre awarded three areas – printed, radio and video materials. The OSCE Centre in Almaty established special prizes for materials on environmental concerns in small and medium-sized businesses.

The ceremony of national awards was conducted in Almaty, and the final selection of regional winners was made in Dushanbe, Tajikistan by jury from the five Central Asian republics. The best reports were placed on the internet

→ *Master-class on environmental journalism - Kazakhstan*

The Centre together with the non-governmental organisation “Ecological Press-Centre” started in December 2003 a five-month project on the training of TV journalists from all regions of Kazakhstan on modern methods and forms of coverage of environmental issues. A best practices CD was distributed. The overall aim of the project was the fulfilment of the Aarhus Convention principles, in particular,

the access to information in environmental matters through support of development of ecological journalism.

→ *Preparatory Workshop «Discussion of the draft law on ecological information» - Kazakhstan*

The Preparatory Workshop was aimed at contributing to the implementation of the Aarhus convention in Kazakhstan by facilitating discussions of the draft law on environmental information and by involving the non-governmental sector in the elaboration of recommendations. The workshop was organised together with the Parliament of Kazakhstan and preceded a round table on the draft law, organised by the Parliament several days later.

→ *Drafting Law on Reproductive Material of Forest Trees; Creation of a data base of forest reproductive materials – Serbia and Montenegro*

The OSCE assisted in the harmonisation of the Draft Law on Reproductive Material of Forest Trees with the EU regulations in this field to facilitate the export of forest reproductive material to the EU Countries.

→ *Environmental Glossary– Serbia and Montenegro*

The aim of the project was to support economic and environmental legislation development, its implementation and regional co-operation. International legislative terms from international Contracts, Conventions, Protocols and Treaties in the environmental area were translated.

→ *Harmonisation of Environmental legislation in Montenegro – Serbia and Montenegro*

The OSCE and the Ministry for environmental protection and urban planning of the Republic of Montenegro cooperate in implementing the Finnish led project “Environmental Legislation development in Montenegro”, compatible with the OSCE Programme for “Support to Environmental Legislation and Institutional building”. The OSCE is a member of the Project Steering Committee, and covers the working costs of four Working Groups Managers and the Project Director for a period of ten months.

→ *Seminar on National Economy and Environment - Turkmenistan*

This national conference was requested by the Government in September 2003. Its objective was to invite middle-level government officials from various ministries and other central establishments to discuss general and specific issues relating to interaction between economy, industrial and primary production, and environment. External expertise was secured from UNEP and OSCE/OCEEA, and the conference was scheduled for May 2004.

OSCE Serbia and Montenegro



A Landscape from Serbia and Montenegro. The OSCE promotes the protection of the environment through legislative harmonisation.

9. Additional Activities

9.1. OSCE-UNECE Inter Secretariat Task Force.

In order to prepare a comprehensive arrangement between the OSCE and UNECE, as stipulated by the Strategy Document for the Economic and Environmental Dimension adopted by the Ministerial Council held in Maastricht in December 2003 (para 3.2.2-5), Secretary General Ján Kubiš and UNECE Executive Secretary Ms. Brigita Schmognerova set up an Inter Secretariat Task Force. The Task Force met on the occasion of the UNECE Annual Meeting on 25 February, a Workshop on 8 March and via video Conferences. The Memorandum of Understanding regulating co-operation between the two organisations is to be preceded by a resource implications assessment. The Task Force works in a transparent way allowing delegations to engage themselves in the preparation of the MoU. The Draft MoU will be presented to adequate bodies of both organisations.

9.2. OSCE Conference on globalisation

The OSCE Conference on Globalisation took place in Vienna on 3 and 4 July 2003. The main purpose of the Conference was to discuss the role the OSCE can play in maximizing the benefits and addressing the risks and challenges of globalisation.

The event was organised by the OCEEA in close co-operation with the Netherlands Chairmanship of the OSCE.

The Conference gathered over 150 participants, high-level representatives of OSCE participating States responsible for international economic and environmental policy and security issues in the OSCE area, as well as experts representing various international organisations, academic community or civil society. Several participating States included representatives of non-governmental organisations and academic circles in their delegations. The OSCE Partners for Co-operation and the Mediterranean Partners for Co-operation were also invited to participate in the Conference.

The Annual Co-ordination Meeting for EEOs represents a unique opportunity for both the EEOs and the OCEEA to interact and exchange views, present their current activities and priorities, seeking thus a better co-ordination and more effectiveness in implementing their mandate and in planning future activities.



Meeting of the Economic and Environmental Officers in Kranichberg, Austria. October 2003

9.3. Special meeting of the Permanent Council on the Integration processes in the OSCE region

OCEEA rendered its support to the preparation of the Special meeting of the Permanent Council (PC) dedicated to integration processes in the OSCE region, on 26 September 2003.

A number of special guests addressed the PC on that occasion, such as the Economic Affairs Officer of the United Nations Economic Commission for Europe, the Executive Secretary of the Commonwealth of Independent States and the Secretary General of the Eurasian Economic Community. A number of delegations presented the experiences of various organisations and groupings they participate in.

Following the meeting, the OCEEA analysed the conclusions of the debate and tried to incorporate the recommendations in its activities. The meeting was also considered useful with a view to the discussions regarding the Strategy Document.

The topic on integration processes in the OSCE region will be further discussed at a special session of the Economic Forum in 2004.

9.4. Research Seminar of the Central Asian Youth Network

The OCEEA participated in the first Research Seminar of the Central Asian Youth Network (CAYN), organised by the OSCE Centre in Tashkent in the Uzbek town of Charvak on 5-7 May 2004. The aim of the programme is to contribute to conflict prevention by promoting good relations between students, future leaders, in Central Asia and by studying OSCE principles and commitments, promote liberalisation and democratisation. The programme targets elder students and the thematic focus of the Network will be cross-dimensional along the OSCE dimensions. The main aim is to increase tolerance and understanding through education and exchange.

9.5. Annual Co-ordination Meeting for Economic and Environmental Officers, Vienna and Kranichberg, 29 September – 3 October 2003

The fourth annual co-ordination meeting represented a progress in terms of participation – 27 EEOs and their assistants, representing 15 field presences, attended the meeting. In addition, all OCEEA staff were present.

The programme included both plenary and regional sessions. The main topics discussed during the meeting, selected among the current priorities of the OSCE in the Economic and Environmental Dimension, were:

- preparation for the 12th Economic Forum (EF);
- the follow-up process to the 11th EF on trafficking;
- supporting the development of SMEs;
- Environment and Security Initiative (ENVSEC) and the next steps in its development;
- water management;
- good governance;
- combating money laundering and the financing of terrorism;
- development of human resources.

The agenda also included a general presentation of the latest developments pertaining to the Economic and Environmental Dimension, the presentation of the new OSCE project management guidelines and of the new OCEEA Project Support Unit. The EEOs had the opportunity to meet representatives of the incoming Bulgarian Chairmanship as well as representatives of the CPC and other departments of the Secretariat and discuss in more details issues related to next year's priorities, project management, budgetary issues, etc.

A number of activities identified as best practices (such as the YES Programme, the Fair Employment Programme, developed in BiH, and promoting public participation through the establishment of Public Environmental Information Centres) were presented to the EEOs so that they could consider adapting and replicating them in their host countries.

As part of the Co-ordination Meeting a SWOT analysis was conducted, aimed at identifying the strengths, weaknesses, opportunities and threats in implementing the OSCE EED mandate.

10. Participation in Conferences

Meeting of Regional and Sub-regional Organisations on Fighting Corruption and organised Crime (Vilnius, Lithuania. June 2003)

OCEEA participated in a seminar on fighting corruption and organised crime at regional and sub-regional levels. The participants underlined the importance of fostering the role of sub-regional organisations in addressing both corruption and crime. In that respect, a systematic sharing of information should be seen as a priority for all organisations.

The Petersburg International Economic Forum (St Petersburg, Russia, June 2003)

In June 2003 the Co-ordinator attended the Saint Petersburg International Economic Forum. The Forum was addressed by prime ministers of Russian Federation, Ukraine, Belarus, Kyrgyz Republic, Moldova, President of the EBRD Jean Lemierre, vice-president of the World Bank Anna Kruger, Nobel Prize laureate Lawrence Klein. Economic integration, globalisation and migration issues dominated the meeting. Doubling GDP in Russia during next decade was considered difficult but realistic perspective by Klein and other speakers.

International Fresh Water Forum (Dushanbe, Tajikistan. August -September 2003)

OCEEA, together with its partner organisations UNDP and UNEP, organised a side event in the margins of the Water Forum to present the programme outline for the Environment and Security Initiative for 2003-2006. Participants in the side event and preceding national workshops announced their support for the initiative and endorsed the reports resulting from the first phase. In addition they called for more detailed mapping of identified hotspots as well as new maps for additional priority areas. Other international organisations also expressed an interest in working together with the initiative. In particular UNECE announced their willingness to work with the ENVSEC partners in activities aiming at promoting the ratification and implementation of UNECE conventions.

“Business and Security after 11 September 2001” (Vaduz, Liechtenstein. September 2003)

Upon invitation, the Deputy Co-ordinator participated on September 5-6 in a Conference organised by the Liechtenstein Institute in partnership with the Stockholm International Peace Research Institute (SIPRI) entitled “Business and Security after 11 September 2001”.

Representatives from the business community, academia and international organisations discussed issues such as new threats and new openings for public/private sector co-operation and the role the business community can play in the prevention of and the reconstruction after conflict. UN codes and international instruments and their role in combating international crime were analysed. The findings and suggestions will be compiled as a SIPRI publication. A number of participants showed interest in sharing their experiences in the preparatory process leading to the next Economic Forum addressing the new Challenges for Building up Institutional and Human Capacity for Economic Development and Co-operation.

UNECE Seminar on “Policies for achieving the Millennium Development Goals ECE Region (Geneva, Switzerland, October 2003)

OCEEA participated in an event organised by UNECE that was also attended by various international organisations and research institutions. The main focus of the meeting was poverty during transition. The discussion underlined the importance of methodological and statistical matters for better understanding the complexity and the dynamic of social and economic conditions when building up market-based economies. Overall, transition corresponded to a lowering of living standards often explained by the deterioration of employment and labour markets. Integrating into the global economy was seen as an element of recovery that may help create new jobs and raise wages in the formal sector. The role of the shadow economy as providing sources of incomes to the poorest segments of society was acknowledged.

OSCE Parliamentary Conference (Sarajevo, Bosnia and Herzegovina. October 2003)

The Deputy Co-ordinator co-chaired a plenary session at the conference on the role of parliaments in human and economic development in South East Europe. Parliamentarians from South East Europe analysed the implications for the legislative work and possibilities for regional institutional co-operation.

Co-operation with EBRD (London, United Kingdom. October 2003)

The Secretary General, accompanied by the Deputy Co-ordinator, visited the European Bank for Reconstruction and Development (EBRD) in London on 13 October 2003. The purpose of the visit was to discuss concrete modalities for co-operation and explore areas of common interest, according to the exchange of letters between the Chairman of the Permanent Council and Secretary General Akerholm. The visit has also to be seen as a follow-up to the visit of President Lemierre to the Permanent Council in March 2003.

Two high level meetings were held with the President and the Secretary General of the EBRD respectively. A working level meeting with a number of senior EBRD staff members was also held and a number of concrete areas for co-operation were explored. It was recognised that while high level contacts are well on track, there is a need for further strengthening working level contacts at headquarters and in particular in the field.

Seminar on Economic Aspects of Security (Trieste, Italy. October 2003)

On the invitation of general Claudio Zappulla OSCE CIO's Personal Representative for Articles II and IV of the Dayton Agreement Co-ordinator addressed Seminar on Economic Aspects of Security in Trieste (4 October 2003). The same power point presentation was used by the Co-ordinator during his lecture to students of the **Webster University in Vienna (6 October 2003)**.

2003 Mediterranean Seminar in the Comprehensive Approach to Security (Aqaba, Jordan. October 2003)

The Co-ordinator attended the OSCE Mediterranean Seminar in the Comprehensive Approach to Security at which he presented potential fields of co-operation with Med partners such as water management, migration issues, fight against money laundering, combating trafficking in human beings, drugs and small weapons, regional economic co-operation and integration.(Aqaba, 20-21 October 2003)

NATO EAPC Symposium on Economic Aspects of Euro-Atlantic Integration (Kiev, Ukraine. October 2003)

Upon invitation of NATO, the Co-ordinator also addressed NATO symposium on Economic Aspects of Euro-Atlantic Integration in Kiev.

Central European Initiative summit (Warsaw, Poland. November 2003)

Substituting for the Secretary General Ján Kubiš Co-ordinator represented OSCE Secretariat at the Central European Initiative summit in Warsaw on November 20-21. Co-ordinator addressed Head of the Governments session and took part in a panel debate on "Extending Benefits of EU Enlargement Across Borders".

Task Force to Protect Children from Sexual Exploitation in Tourism (London, United kingdom. November 2003)

OCEEA was represented at the London Meeting of the "Task Force to Protect Children from Sexual Exploitation in Tourism" for the purpose of cultivating programmatic partnerships in its efforts to fulfil the recommendations and obligations put forth at the 11th Economic Forum and the OSCE Action Plan on Gender and Trafficking in Human Beings, especially in regards to private sector Cupertino in the fight against trafficking.

UNDP Regional Compact Meeting

(Almaty, Kazakhstan. November 2003)

OCEEA was represented at the UNDP Regional Compact Meeting in Almaty on the importance of and opportunities for private sector co-operation in supporting the development of SMEs in Central Asia. Contacts were established with multi-national corporations working in the energy sector and were pursued for the purposes of the 2nd Preparatory Seminar in Dublin as well as private sector support for economic empowerment initiatives being developed by OCEEA.

Combating the Financing of Terrorism

(Geneva, Switzerland. November 2003)

Upon invitation from the Swiss government, the Deputy Co-ordinator participated in a workshop on combating the financing of terrorism in Geneva on 27-28 November 2003. The workshop was held in the context of the NATO Euro-Atlantic Partnership Council (EACP), together with associated international organisations such as UNODC, FATF and Interpol, as well as academics and the private sector. OCEEA acted as a commentator in the plenary session to the UNODC keynote speech on “International Instruments to Combat the Financing of Terrorism” and chaired one of the working session on how to enhance International Capacity in the fight against the financing of terrorism. A number of recommendations were made by participants, and in particular OSCE and NATO were encouraged to enhance their co-operation in this field. OCEEA is following-up with the Office of the NATO Deputy Assistant Secretary General for Regional, Economic and Security Affairs.

NATO CCMS and Science Committee workshop:

“Desertification in the Mediterranean Region: a Security issue”

(Valencia, Spain. December 2003)

In December 2004, upon invitation by the NATO Committee on the Challenges of Modern Society (CCMS) and the NATO Science Committee, the Deputy Co-ordinator presented the ENVSEC initiative to a workshop entitled “Desertification in the Mediterranean Region: a Security issue”. The initiative was seen as a potential model for addressing environmental threats in the Mediterranean region and participants inquired about possibilities to involve the region. OCEEA, together with its partners and NATO will explore the issue.

UNECE Annual Session

(Geneva, Switzerland. February 2004)

In February 2004, the Co-ordinator accompanied Secretary General Ján Kubiš to the Annual Session of the UNECE at which co-operation between OSCE and UNECE was discussed. Delegates strongly supported a new stage of co-operation between OSCE and UNECE, in particular UNECE engagement in the review of the implementation of the OSCE economic and environmental commitments. A joint UNECE-OSCE Task Force to prepare modalities of co-operation was established and a first round of talks on its goals took place between UNECE Executive Secretary Ms. Brigita Schmognerova and Ján Kubiš.

UNECE Seminar

(Geneva, Switzerland. March 2004)

In March 2004 Co-ordinator presented OSCE Strategy Document for the Economic and Environmental Dimension to the UNECE-OSCE Joint High Level Workshop on the Economic Dimension of the Security in Europe: Facing New Challenges in a Changing Environment.

Visit to the Secretariat by of the President of the Business Humanitarian Forum, Ambassador John Maresca (Vienna, Austria. March 2004)

In March 2004, the OCEEA hosted a visit of Ambassador Maresca in order to explore co-operation with regard to private-public partnerships. Discussions included their active participation in the 12th Economic Forum, possible activities on educational matters, in particular in Central Asia, as well as the ENVSEC initiative.

NATO School

(Oberammergau, Germany. March 2004)

Upon invitation, the Deputy Co-ordinator gave a lecture at the NATO School on “Environmental Degradation: a Threat to Security” in March 2004.

OSCE Academy

(Bishkek, Kyrgyzstan. March 2004)

On the occasion of the Preparatory Seminar to the 12th Economic Forum, the Co-ordinator visited the OSCE Academy in Bishkek and gave a lecture to students on the economic approach to security.

EBRD Annual Meeting

(London, United Kingdom. April 2004)

Deputy Co-ordinator accompanied the Secretary General Ján Kubiš to the annual EBRD meeting and investment forum, held in London. A part from networking, the visit allowed to follow up on discussions held in October 2003 and to further explore co-operation on a number of common activities.

European Economic Summit

(Warsaw, Poland. April 2004)

The Co-ordinator accompanied the Secretary General Ján Kubiš, who upon the invitation by the Polish President Aleksander Kwániewski participated in the European Economic Summit, organised by the World Economic Forum.

Kilian Straus



The Co-ordinator gave a lecture to students on the economic approach to security. OSCE Academy, Bishkek, Kyrgyzstan

11. Main Issues addressed during the Economic and Environmental Sub-Committee Meetings since June 2003

The Economic and Environmental Sub-Committee (EESC) of the Permanent Council was established by the OSCE Ministerial Council in Bucharest on 4 December 2001 MC(9).DEC/3, 4 December 2001).

Extract:

11. It will perform the following tasks:

(a) to provide an ongoing framework for dialogue of the participating States on economic and environmental issues and to make recommendations to the Permanent Council, including on projects to be implemented;

(b) to support the preparation of the meetings of the Economic Forum and make recommendations to the Permanent Council on the future programme of work, including actions to follow-up of recommendations made by the Forum;

(c) to examine any important or topical economic or environmental issue relevant to the OSCE at the request of the Permanent Council, or at the initiative of any participating State;

(d) to provide advice to the Permanent Council, as necessary, on economic and environmental activities of OSCE field operations, in accordance with their respective mandates.

12. Where appropriate, the Sub-Committee may invite representatives of the business community, business associations and relevant governmental and non-governmental organisations, the academic community, and non-participating States, particularly Partners for Co-operation, to participate in its meetings.

13. The OSCE Co-ordinator on Economic and Environmental Activities will provide working support for the activities of the Sub-Committee, subject to his mandate.

The Sub-Committee proved itself as a valuable tool for ensuring continuity and consistency in the activities in the Economic and Environmental Dimension by providing a forum for regularly reporting on the work done in this field, enabling discussions of priorities and activities and identifying potential threats to security and stability. The Sub-Committee also provided a link to other International Organisations and relevant actors which were invited to share their views and to contribute to the work in the Economic and Environmental Dimension.

According to its mandate, the OCEEA continued to provide working support to the activity of the EESC and its Chairman.

Over the reporting period, from June 2003 to May 2004 fourteen meetings of the Economic and Environmental Sub-Committee were held: eight under the then-acting

Dutch Chairmanship and six under the current Bulgarian Chairmanship.

The following main issues were addressed at the EESC Meetings since June 2003:

Elaboration of the new Strategy Document and its implementation

The EESC served as an important framework for dialogue and deliberations with a view to negotiating the text of the OSCE Strategy Document for the Economic and Environmental Dimension. The Chairman of the informal Group of Friends on the EED Strategy Document and the Chairman of the Informal Group of Friends on Procedures constantly reported to the EESC on the ongoing discussion and the results of their work. At the 22nd meeting of the EESC, on 24 November 2003, the Sub-Committee endorsed the text of the new OSCE Strategy Document and submitted it to

the Permanent Council. Further on, the document was adopted by the Maastricht Ministerial Council.

Following the adoption of the Strategy Document, the implementation of this documents became a main task for both the OCEEA and the participating States. Therefore, the OCEEA elaborated a work plan for the implementation of the Strategy Document. A discussion on this document (SEC.GAL/46/04) took place in the 26th meeting of the EESC on 12 March 2004.

A very important task stipulated by the Strategy Document is strengthening co-operation with the UNECE. Therefore, this issue has been included on the EESC's agenda. A first discussion took place in the 25th meeting on 6 February 2004. The Secretary General also participated in this meeting. The following meetings on 12 March and 23 April also discussed this issue.

Overall planning of EED activities and reports

The schedule of meetings for the second half of 2003 was discussed by the 18th EESC on 18 July 2003.

The 24th meeting of the EESC, on 21 January 2004, being also the first meeting of the EESC in 2004, provided the opportunity to discuss the OCEEA Plan of Activities for the first half of 2004 (SEC.GAL/4/04). The 25th meeting on 6 February 2004 also discussed the calendar of EESC meetings for 2004.

Activity reports by the CoEEA were presented and discussed in each meeting of the EESC. Activity reports regularly included references to OCEEA staff participation in relevant international meeting, updated information on ongoing activities in various areas, including by the OSCE field presences.

The preparation and follow-up to the OSCE Conference on Globalisation (Vienna, 3-4 July 2004) were also on the EESC's agenda at the meetings on 6 June, 23 June and 18 July 2003.

The 20th EESC benefited from the presence in Vienna of the Economic and Environmental Officers. A report from the Annual Co-ordination meeting for the EEOs was presented and the participants in the Sub-Committee had the opportunity to engage in dialogue on current activities and priorities with the EEOs, during a Q&A session.

Follow-up to the Eleventh Economic Forum on Anti-Trafficking

A first report on the Eleventh Economic Forum (EF.GAL/13/03) was presented by the CoEEA at the 16th meeting of the EESC on 6 June 2003. The Consolidated Summary of the Eleventh Economic Forum (SEC.GAL/135/03) was discussed in the 18th meeting of the EESC in order to identify the most appropriate follow-up actions. Based on the input and guidelines provided by the Sub-Committee, the OCEEA continued its planning activities and contacts with potential partners and developed an Anti-Trafficking Programme.

The EESC has been regularly informed on the work in progress. At the 21st meeting of the EESC, on 31 October 2003, OCEEA invited Ms. Kristiina Kangaspunta, UNODC Global Programme against Trafficking in Human Beings, to make a presentation of the UNODC Public Service Announcements against trafficking in human beings. A presentation of the OCEEA Anti-Trafficking Programme: Public-Private Co-operation in the Prevention of Trafficking in Human Beings (SEC.GAL/13/04) and a substantial discussion on this comprehensive follow-up initiative to the 11th Economic Forum took place in the framework of the 25th meeting of the EESC, on 6 February 2004. At the same meeting, Ms Helena Karlén, Secretary General of ECPAT Sweden, Member of the Executive Committee of ECPAT International, was invited as guest speaker to present the ECPAT Code of Conduct.

Preparation for the 12th OSCE Economic Forum

With regard to the Twelfth Economic Forum, the EESC was instrumental in the adoption, by the PC, of the two decisions on the place, date and theme (PC.DEC/558) and main subjects and organisational modalities (PC.DD/10/04) for the Twelfth Economic Forum. The draft decisions were discussed in the 18th meeting of the EESC, on 18 July 2003, and the 26th meeting of the EESC on 12 March 2004 respectively, and adopted by the PC on 31 July 2003 and 25 March 2004.

With regard to the preparatory process for the Twelfth Economic Forum, the OCEEA constantly provided updated information to the EESC on the three preparatory seminars in Yerevan, Dublin and Bishkek. Furthermore, the Consolidated Summaries of the three seminars were discussed in the EESC:

- Yerevan – 23rd meeting of the EESC on 12 December 2003
- Dublin – 26th meeting of the EESC on 12 March 2004
- Bishkek – 27th meeting of the EESC on 23 April 2004

The meeting on 23 April also provided the opportunity for a preliminary discussion on the preparation of the Economic Forum based on the introductory notes (SEC.GAL 93 /04) prepared by the OCEEA in co-ordination with the Chairmanship following the suggestions from the three preparatory seminars. A more substantial discussion on the EF preparation and priority issues to be addressed took place at the 28th meeting on 7 May.

On 7 May 2004, at the 28th meeting of the EESC, UNECE expert Robert Nowak delivered a presentation on integration processes in the OSCE region and their implications to security as an introduction to the special session on integration to be held at the Economic Forum.

At the same meeting the OCEEA presented the status of the implementation of the Youth Entrepreneurship Seminars (YES) Programme in various countries as well as plans for its replication and further development. As an important tool to promote entrepreneurship, the YES programme will also be presented and discussed at the Economic Forum.

At the 29th meeting of the EESC, on 21 May, Dr. Alexander Carius, Director, Adelphi Research and Dr. Otto Simonet, UNEP, were invited to present the Environment and Security Initiative (ENVSEC) Early Warning Mechanism. The development of such mechanisms contributes to the implementation of the Strategy Document (paragraphs 2.4.3 and 3.2.4). OCEEA will continue to work on this issue and present the results to the EESC in the second half of 2004.

The discussions provided input for the Chairmanship and the OCEEA in streamlining the preparations for the Forum.

Discussing topical issues

OCEEA invited Dr. Daniele Ganser, from the Zurich Center for Security Studies to deliver a presentation at the 20th meeting of the EESC, on 3 October 2003. The topic of the presentation was “Conflict prevention: the untapped potential of the business sector”.

Other initiatives and proposals

The 16th EESC discussed the proposal for a Seminar on regional economic co-operation (SEC.GAL/90/03).

The 17th EESC discussed the proposal for an OSCE Booklet on Market Institutions (SEC.GAL/113/03).

11. OCEEA Professional Staff and Main Responsibilities

Marcin Świecicki, Co-ordinator

Manages the OCEEA according to the mandate established by PC.DEC/194 dated 05 November 1997.

Marc Baltès, Deputy Co-ordinator

Under supervision of and in support to the Co-ordinator, manages the office and liaises with Participating States, partner organisations, OSCE different Secretariat branches, and field presences, with a particular focus on Central Asia.

Responsible for the implementation of joint activities with UNODC on anti-money laundering and combating the financing of terrorism activities, and the supervision of the preparatory process of the Economic Forum.

Daniel Linotte, Senior Economic Advisor

Over-views, advises and supports projects in Western CIS countries, prepares studies and concept papers related to economic co-operation and development of Participating States.

Helen Santiago-Fink, Senior Economic Officer

Liaises with officers in charge of the EED in South-East Europe, supports project activities on SME development and manages the Anti-Trafficking Programme.

Kilian Strauss, Senior Programme Officer

In charge of the management of the Project Support Unit, support to the Co-ordinator and the Deputy Co-ordinator and liaison with the Field Presences.

Gianluca Rampolla, Economic and Environmental Affairs Officer

Liaises and co-ordinates with the OSCE field operations in the South Caucasus, and manages the Environment and Security Initiative and other Environmental Programmes.

Annica Carlsson, Environmental Advisor

Advises on Environmental issues OSCE wide, with a primary focus on South Eastern and Eastern Europe.

Gabriel Leonte, Economic and Environmental Advisor

Assists on the preparatory process of the OSCE Economic

Forum, and provides input to the Sub-Committee meeting related to the Economic Forum.

Nina Lindroos-Kopolo, Associate Programme Officer (Economic)

Reviews and assists OCEEA project managers and the Economic and Environmental Officers in designing of economic projects.

Raul Daussa, Associate Programme Officer (Environmental)

Reviews and assists OCEEA project managers and the Economic and Environmental Officers in designing of environmental projects.

Acronyms

| | |
|----------------|---------------------------------------------------------------------|
| CPC: | Conflict Prevention Centre (OSCE) |
| EBRD: | European Bank for Reconstruction and Development |
| EED: | Economic and Environmental Dimension |
| EESC: | OSCE Economic and Environmental Sub-Committee |
| ENVSEC: | Environment and Security Initiative |
| IOM: | International Organisation for Migration |
| IMF: | International Monetary Fund |
| NATO: | North Atlantic Treaty Organisation |
| OCEEA: | Office of the Co-ordinator of Economic and Environmental Activities |
| ODIHR: | Office for Democratic Institutions and Human Rights (OSCE) |
| OECD: | Organisation for Economic Co-operation and Development |
| OSCE: | Organization for Security and Co-operation in Europe |
| PSU: | OCEEA Project Support Unit |
| UNDP: | United Nations Development Programme |
| UNECE: | United Nations Economic Commission for Europe |
| UNEP: | United Nations Environment Programme |
| UNODC: | United Nations Office on Drugs and Crime |
| YES: | Youth Entrepreneurship Seminars |

Notes





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Vienna, May 2004

