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

Dear readers

Over the past year, there have been a number of interesting and encouraging developments in the Economic and Environmental Dimension. One could not fail to notice that the 56 OSCE participating States have gradually enhanced its role which consists in strengthening stability and security, encouraging dialogue and co-operation through economic and environmental activities.

This shift in importance was reflected in the recent Ministerial Decision (MC.DEC/17/06) to rename the Economic and Environmental Sub-Committee to "Economic and Environmental Committee" (EEC). The present report reflects this trend, not least in the increasingly programmatic approach of the second dimension.

The overarching goal of the OCEEA is to promote more effective co-operation between OSCE participating States (and, where appropriate, their Asian and Mediterranean Partners) to counteract threats and challenges to security and stability caused by economic and environmental factors. In order to better meet these targets my Office elaborated an Action Plan (SEC.GAL/25/07), which has proven to be a helpful tool.

Whenever the OCEEA engages in a discussion aimed at prioritising its activities, two inter-related issues almost always come to the fore: the question of the added value of the activities being considered as well as efforts not only to avoid the risk of duplication but also to achieve the best synergies with other organisations involved at a more technical level in corresponding economic and/or environmental activities. The activities presented here reflect this thinking, underlining the role the OSCE can play in both the economic and environmental fields.

Specific activities addressing economic and environmental threats and challenges, such as workshops on combating money laundering or the OSCE-led Environmental Assessment Mission to fire-affected territories in and around the Nagorno-Karabakh region, are examples of the specific contributions of the OCEEA to peace and stability.

Many of our activities target particularly vulnerable groups of society, such as people living in environmentally affected areas or ethnic minorities. One example in this context is a project aimed at providing life and vocational skills to Ukrainian orphans, or a project in Albania which provided training on business development to women.

Many of our seminars and conferences also serve the important purpose of raising awareness about issues that pose an indirect threat to security, such as impediments to trade, development and investment, and environmental degradation.

By launching and encouraging dialogue among concerned parties, we endeavour to mobilise states, NGOs, international organisations and public opinion to do more in overcoming shortcomings in areas such as good governance or the protection of environment.

The events described in this report were both organised by my Office and OSCE field presences and, due to their sheer quantity, not all could be reflected here. We have therefore selected the most relevant ones which we believe had the most significant impact.

Many of our activities have also been conducted jointly with partner organisations such as the UN Economic Commission for Europe (UNECE), the UN Office on Drugs and Crime (UNODC), the International Organisation for Migration (IOM) or the UN Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS), to name just a few.
In line with the Ministerial Council Decision adopted in Brussels on the "Future Transport Dialogue in the OSCE" (MC.DEC/11/06), the OCEEA continued to implement follow-up activities to the 14th Economic Forum. Workshops on transport related topics, ranging from port security to the special problems of landlocked developing countries, have been organised over the past year. The importance of the theme of transport and security, which had become a priority for the second dimension under the Belgian OSCE Chairmanship in 2006, is reflected in the decision to convene a conference on the prospects for development of trans-Asian and Eurasian transit transportation through Central Asia until the year 2015. The Government of Tajikistan proposed to host this conference in late 2007 and my Office is currently providing support in organising this event.

The OCEEA also provided support to the Spanish Chairmanship in 2007 in organizing the 15th Economic and Environmental Forum on the theme "Key challenges to ensure environmental security and sustainable development in the OSCE area: Land Degradation, Soil Contamination and Water Management" (PC.DEC/735). The selection of this theme has turned out to be particularly relevant in a time when environmental security issues, including also climate change, have reached acute political attention. The first session of the 15th Economic and Environmental Forum, organized by my Office, already took place in Vienna on 22-23 January and once more proved to be a useful instrument for the exchange of experience and expertise as well as for identifying future challenges for the OSCE.

Overall, there have been more than two hundred seminars, trainings, conferences and workshops on economic and environmental matters organised by OSCE field presences and the OCEEA between June 2006 and May 2007. I believe all of them have contributed to increased international awareness, dialogue and institutional capacity building on the economic and environmental issues that lie at the heart of the OSCE’s second dimension.

More information on my Office’s work can be obtained on our web page at www.osce.org/eea
2. Current issues and recent developments in the Economic and Environmental Dimension

2.1 Main issues addressed during Economic and Environmental Sub-Committee/Committee Meetings since June 2006

The Ministerial Council (MC.DEC/17/06) decided to establish the Environmental and Economic Committee (EEC), to replace the Economic and Environmental Sub-Committee of the Permanent Council (EESC).

The EESC/EEC continued to be an effective framework for political dialogue on issues of the Economic and Environmental Dimension (EED). It enabled discussions of priorities and activities, regular reporting on the work done as well as identifying potential threats to security and stability. The Sub-Committee/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 second dimension.

Over the reporting period, from June 2006 to May 2007, eighteen meetings of the EESC/EEC were held: thirteen under the Belgian Chairmanship and five under the Spanish Chairmanship.

According to its mandate, the Office of the Co-ordinator of OSCE Economic and Environmental Activities (OCEEA) continued to provide working support to the activity of the EESC/EEC and its Chairperson.

The following are the main issues discussed by the Sub-Committee/Committee between June 2006 and May 2007:

**Follow-up to the 14th Economic Forum**
The Consolidated Summary of the 14th Economic Forum (EF.GAL/15/06) was presented by the Co-ordinator of OSCE Economic and Environmental Activities (CoEEA) at the 60th meeting of the EESC on 7 July 2006. The discussion in the Sub-Committee helped to identify the most appropriate follow-up actions. Based on the input and guidelines from the Sub-Committee, the OCEEA continued its planning of activities and contacts with potential partners.

On 9 June 2006, a discussion took place on the results of the Forum and of its preparatory process. The Chairperson and the OCEEA presented the proposed activities in more detail. The Sub-Committee was instrumental for discussions on elements for a decision on the future transport dialogue in the OSCE (CIO.GAL/128/06) as well as on elements for a decision on OSCE support for transportation needs of landlocked developing countries (CIO.GAL/129/06) (see chapter 3).

The Meeting on 15 September 2006 was used for introducing the follow-up activities of the 14th Economic Forum: namely the first OSCE/UNECE/EurAsEC workshop on the implementation of the "International Convention on the Harmonization of Frontier Controls of Goods" in Moscow, the OSCE/UNECE workshop on the Harmonization convention in Belgrade, the OSCE/ILO workshop in Antwerp, Belgium on security in ports, and the workshop on Transport, Security and Environment in Tonsberg, Norway. There was also a presentation of the key findings of the energy security information mission conducted by the OCEEA at the request of the Chairman-in-Office.

**Preparation for the 15th OSCE Economic and Environmental Forum**
With regard to the 15th Economic and Environmental Forum, the EESC/EEC was instrumental in the adoption of the Permanent Council Decision on the place, date and theme (PC.DEC/624), and main subjects and organisational modalities for the Forum.

On 21 September 2006, on the occasion of the Special (63rd) Meeting of the EESC, the Co-ordinator presented the Secretariat’s perspective on the central theme of the 15th OSCE Economic and Environment Forum and its preparatory process.
With regard to the preparatory process for the Forum, the OCEEA constantly provided updated information to the EESC/EEC on the two preparatory conferences in Bishkek and Zaragoza. Furthermore, the Consolidated Summaries of the two conferences were discussed in the EESC/EEC.

The meeting on 19 January 2007 was used to report on the preparations of the first part of the Economic and Environmental Forum, held in Vienna on 22-23 January 2007 (see chapter 4).

The meeting on 13 February 2007 provided the opportunity for introducing the OCEEA Action Plan for 2007 (SEC.GAL/25/07) to the EEC.

Supporting the preparation of OSCE decisions and the work of OSCE decision making bodies

Besides the Ministerial Decision on transport, the EESC/EEC was also actively involved in the preparation of the Ministerial Decision on the energy security dialogue in the OSCE area and the Ministerial Statement on migration.

On 13 February 2007, the Spanish Chairmanship outlined its priorities for the Economic and Environmental Dimension in 2007. At the same session the Co-ordinator of OSCE Economic and Environmental Activities reported on the activities scheduled to take place in 2007.

Reporting and discussing EED activities

Activity Reports by the CoEEA were presented and discussed in each meeting of the EESC/EEC. Activity Reports included references and updated information on ongoing activities in various areas, including by OSCE field presences, OCEEA staff participation in relevant international meetings, co-operation with other international organisations.

The Coordinator used the opportunity of the 61st meeting to report on the Conference on “Investment and Development in the Central Asia and the Black Sea Regions”, jointly organised by the OECD and the OSCE in Istanbul, Turkey, on 11-12 July 2006.

The OCEEA also reported to the EESC on the ongoing activities of the Environment and Security Initiative (ENVSEC). As the OSCE held the rotating Chairmanship of the ENVSEC initiative in 2006, the Coordinator used the opportunity of the 60th meeting on 7 July 2006 to report on the discussions on the future governing and financial structures, reflected in a Memorandum of Understanding (still to be finalized) which was agreed by ENVSEC partners for the 2007-2010 period. In the same session, a report was made on the input provided by the OCEEA to an ENVSEC workshop on “Enhancing Transboundary Biodiversity Management in South Eastern Europe” held on 13-14 June 2006 in Montenegro.

On 15 September 2006, a representative of IOM presented a Handbook on Establishing Effective Labour Migration Policies, which had been prepared by the OSCE, IOM and ILO to assist countries of origin and destination in their efforts to develop policy solutions and approaches for the better management of labour migration flows.

The 64th meeting of the EESC Committee on 20 October 2006 deliberated on the proposed Partnership for Economics Education and Research Support (PEERS) by the UNECE, UNDP and OSCE.

2.2 Annual Co-ordination Meeting of Economic and Environmental Officers, Vienna and Mauerbach, 20-21 September 2006

The Annual Co-ordination Meeting for Economic and Environmental Officers (EEOs) took place in Vienna and Mauerbach on 20 and 21 September 2006. It was for the seventh time that such a meeting was organised and it represented a unique opportunity for both EEOs and the OCEEA to interact and exchange views, present their current activities and priorities, seeking to achieve better co-ordination and greater efficacy in implementing their mandate.
The meeting consisted of both plenary sessions and regional working groups. Discussions focused in particular on the follow-up process to 14th Economic Forum, preparations for the 15th Economic and Environmental Forum, the introduction of the theme of desertification and other environmental activities, programmatic activities implemented at the local level, programme management. Among the topics discussed were:

- Introduction to priorities of the incoming Chairmanship on environmental policies
- New projects to be potentially included into ENVSEC
- Projects on trade and transport facilitation (co-operation with UNECE; workshops in Moscow and Belgrade)
- Follow-up actions on transport beyond 2006 (UNECE TEM/TER workshop; business roundtables; co-operation with Basel Convention)
- Anti-corruption activities: UNODC-OSCE practical guide on the implementation of the UN Convention against Corruption
- OSCE Guide for a Positive Business and Investment Climate, regional workshops
- OSCE-IOM-ILO Handbook on migration

The EEOs had the opportunity to review in regional groups the future priorities for each region. Issues related to Programme management as well as budgetary issues were also discussed. The EEOs had the opportunity to meet, individually or in groups, representatives of OSCE participating States and discuss various issues of interest.

**UNIDO study visit**

On 22 September the OCEEA, together with the EEOs and assistants, made a visit to the United Nations Industrial Development Organization (UNIDO). Participants were introduced to the UNIDO programmes. OCEEA staff gave presentations about their activities, followed by a discussion about further possible co-operation of both organisations.

2.3. Ministerial Decisions and Declarations on Issues of Relevance to the OSCE Economic and Environmental Forum

At the 14th Ministerial Council, which took place on 4 and 5 December 2006 in Brussels, a number of adopted decisions and declarations had a direct bearing on the activities of the OSCE’s 2nd Dimension, among them:

- Ministerial Decision No. 3 on combating trafficking in human beings
- Ministerial Decision No. 9 on combating the illicit trafficking of small arms and light weapons by air
- Ministerial Decision No. 11 on the future transport dialogue in the OSCE area
- Ministerial Decision No. 12 on the energy security dialogue in the OSCE area
- Ministerial Decision No. 14 on enhancing efforts to combat trafficking in human beings, including for labour exploitation, through a comprehensive and proactive approach
- Ministerial Decision No. 15 on combating the sexual exploitation of children
- Ministerial Decision No.17 on the improvement on the consultative process
- Ministerial Decision No. 18 on further strengthening the effectiveness of OSCE executive structures
- Ministerial Decision No. 19 on strengthening the effectiveness of the OSCE

Based on these decisions and adopted documents, the OCEEA strives to integrate the guidance provided by the OSCE’s Foreign Ministers into its annual work plan and to continue to co-ordinate activities in these areas with OSCE field presences.

2.4 Energy Security

In accordance with the Strategy Document for the Economic and Environmental Dimension adopted at the Ministerial Council of Maastricht in December 2003, the OCEEA concluded in July 2007 the energy security technical information gathering mission, ini-
2. Current Issues and Recent Developments in the Economic and Environmental Dimension

In October 2006, the OSCE joined the Energy Charter Secretariat and the International Energy Agency in organising a high level conference in Brussels on “The Role of Governments and International Organizations in Promoting Energy Security”.

Representatives of the OCEEA attended and spoke at several international conferences on energy security issues:

- conference “Towards an EU external energy policy to assure a high level of supply security” organised by the European Commission in Brussels on 20-21 November 2006
- third interparliamentary conference on the fight against terrorism “Problems in the fight against terrorism: energy security and international law”, organised by the Belgian Senate and the Council of Federation of Russia.

The OCEEA supported the Belgian OSCE Chairmanship in the discussion of successive drafts of the Ministerial Council Decision on “Energy Security Dialogue in the OSCE”. In its final version, this Decision (No. 12/06) tasks the OSCE Secretariat to promote dialogue on energy security, including at expert level, involving producing, transit and consuming countries; and to raise awareness and enhance dialogue on the G8 Plan of Action on climate change, clean energy and sustainable development (2005) and the G8 Plan of Action on global energy security (2006).

In view of implementing these tasks, the OCEEA is further developing its links with competent international organisations (e.g. International Energy Forum, International Energy Agency, Secretariat of the Energy Charter, International Atomic Energy Agency, European Commission, EBRD, BSEC, etc.).
3. The 14th Economic Forum

Introduction
The 14th OSCE Economic Forum under the Belgian OSCE Chairmanship dealt with “Transportation in the OSCE area: Secure transportation networks and transport development to enhance regional economic co-operation and stability”.

The theme of transport generated many interesting and stimulating discussions among the 56 OSCE participating States. This led to concrete follow-up activities, which emerged as a direct result of the Forum’s recommendations and of the good working relationships the OSCE/OCEEA established with a number of key partners, such as the United Nations Economic Commission for Europe (UNECE), the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States (UN-OHRLLS), the World Customs Organisation (WCO), the International Labour Organization (ILO), the International Maritime Organization (IMO) and the International Road Transport Union (IRU), to name just a few.

At the Ministerial Council meeting in Brussels OSCE participating States adopted, inter alia, a MC Decision (No.11/06) on the “Future Transport Dialogue in the OSCE”.

This MC Decision provides the OSCE with a strong mandate for continued activities in the field of transport. Through its adoption, participating States reconfirmed the Organization’s role in promoting existing internationally recognised legal instruments, standards and best practices. It also highlights that, where the OSCE has a comparative advantage, it should play a role in offering capacity building and providing a platform for the exchange of best practices and awareness-raising. The OSCE should also promote good public and corporate governance and play a role in combating corruption, in particular in the areas of customs and cross-border operations and infrastructure development.

3.1 Transport and Security

Joint OSCE/ILO Workshop on Security in Ports, in co-operation with the Port of Antwerp and the Antwerp/Flanders Port Training Centre/APEC in Antwerp, Belgium

On 4-6 October 2006, in Antwerp, Belgium, the OCEEA together with the relevant department of the International Labour Organization (ILO) and the Antwerp/Flanders Port Training Centre/APEC organised a Workshop on Security in Ports. Being one of the immediate follow-up activities to the 14th OSCE Economic Forum the workshop aimed at raising awareness on the ILO/International Maritime Organisation Code of Practice on Security in Ports.

The workshop brought together 30 experts, officials from port authorities, port operators and representatives of government agencies from twelve OSCE participating States and one Partner for Co-operation (Azerbaijan, Belgium, Bulgaria, Finland, France, Georgia, Greece, Kazakhstan, Romania, Russian Federation, Turkey, Ukraine and Algeria).

The agenda of the meeting was structured in a dual perspective: on the one hand, representatives of the competent departments at the ILO and IMO jointly presented the Code and its link with international conventions related to security in ports; on the other hand, trainers of the Antwerp/Flanders Port Training Centre/APEC explained how the Port of Antwerp, as a major international port, implements these inter-
The first, more theoretical part of the workshop aimed at capacity-building; participants were familiarised with the concepts and principles of port security as specified in the Code and were introduced to the institutional and organisational arrangements necessary for its implementation. The second part of the agenda, provided for by Port of Antwerp trainers, was of a more practical nature, through a number of hands-on presentations and study visits (i.e. visits to a container terminal and a veterinarian inspection site) it gave a platform for the exchange of best practices.

The OCEEA in close co-operation with ILO would like to encourage ports in the OSCE region to consider sharing their best practices on port and maritime security issues. The OCEEA together with its partners stands ready to facilitate this through offering a platform for dialogue and providing capacity-building and training where needed.

3.2 Transport and Environment

Workshop on Transport, Security and the Environment, Tonsberg, Norway

The need for transport routes that take into account concerns about the environment and security was the focus of an OSCE-supported workshop in Tonsberg, Norway.

The 75 participants from OSCE participating States around the Black Sea, Caspian Sea and Arctic regions exchanged views and shared experiences as well as expertise to find ways to reduce the potential environmental and security-related risks of transport. In light of the increased Euro-Asian trade, the workshop focused on new transport routes through Caucasus, Central Asia and Russia such as the North East West Corridor, the Northern Sea Route and IGC TRACECA.

In light of the ever-increasing demand for energy and transportation of potentially dangerous goods such as hydrocarbons, the workshop also focused heavily on various mechanisms to detect and prevent oil-spills. Workshop participants visited the Norwegian Coastal Administration's Department of Emergency Response in Horten, where they learned about Norway's implementation of transport planning and contingency plans to contain the damages of oil-spills. Following requests from the participants in this meeting, the OCEEA is considering organising follow-up workshops in the Black and Caspian Sea regions.

Building capacity for the detection and prevention of illegal transport of hazardous waste

Following the Ministerial Decision on Transport and its reference to assist participating States in enhancing the enforcement of national legislation related to the illegal transport of hazardous waste, OCEEA initiated consultations with the Basel Convention Secretariat and other OSCE Secretariat units regarding increased cooperation on the issue of hazardous waste. On 3-5 October 2006, OCEEA attended, together with representatives of the CPC Border management Unit and Strategic Police Matters Unit, the Regional Workshop for Central and Eastern Europe in Bratislava on Illegal Traffic aimed at strengthening the capacity of customs and enforcement officers at the national level to prevent, identify, monitor and manage illegal traffic of hazardous wastes. The issue is currently on the agenda of the ENVSEC as well.
3.3 Transport and Cross-Border Facilitation

Based on the recommendations of the 14th OSCE Economic Forum, the OCEEA together with the UNECE developed a joint pilot project on promoting UNECE key legal instruments related to transport; the International Convention on the Harmonization of Frontier Controls of Goods was selected as a test case.

On 17-18 October 2006, the OCEEA together with the UNECE and EurAsEC organised in Moscow a first seminar on the implementation of the Harmonization Convention with a regional focus on Eastern Europe, Caucasus and Central Asia (EECCA) countries, including all EurAsEC member states and a number of neighbouring countries with transit links.

On 14-15 December 2006, the OCEEA together with the UNECE and the Government of Serbia organised a second seminar in Belgrade with a regional focus on South Eastern European countries.

The Moscow seminar was attended by 58 government and industry experts responsible for customs, transport and trade policies from the following OSCE participating States: Azerbaijan, Belarus, Canada, Czech Republic, Finland, Kazakhstan, Kyrgyzstan, Lithuania, Republic of Moldova, Poland, the Russian Federation, Sweden, Tajikistan, Ukraine and Uzbekistan. Representatives of one Mediterranean Partner for Cooperation, Jordan, also participated in the meeting. This seminar was preceded by a high-level UNECE/UNESCAP/EurAsEC conference on Trade Facilitation in Moscow on 16 October, where the Deputy Co-ordinator of OSCE Economic and Environmental Activities made a presentation on the OSCE’s Border Security and Management Concept. In the morning of 17 October 2006, the conference was followed by a training seminar on Single Window and Data Harmonization at Customs organized at the Russian Chamber of Commerce and Industry.

The Belgrade meeting was attended by 130 participants from the following OSCE participating States: Albania, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Denmark, Former Yugoslav Republic of Macedonia, Greece, Poland, Romania, Serbia, Slovenia, Ukraine and the United Kingdom. In addition there was participation from various international organizations active in the region: the United Nations Mission in Kosovo (UNMIK), the International Centre for Migration Policy Development (ICMPD), the Office of the High Representative in Bosnia and Herzegovina (OHR), the EU Customs and Fiscal Assistance Office (EU CAFAO), the European Commission (EC) Delegation to the Republic of Serbia and the World Customs Organization (WCO).

Participants in the two meetings discussed how to improve the implementation of the aforementioned Convention and addressed, among others, issues such as Integrated Border Management and cross-border co-operation measures (including harmonization of border and customs formalities and the need to reduce border crossing delays and transportation costs). Particular attention was paid to good governance practices and fighting corruption at border crossings.
At both seminars UNECE experts gave a general introduction on the Convention and presented economic and governance issues related to efficient border crossing procedures. A WCO representative introduced to the participants the revised Kyoto Convention dealing with simplification and harmonization of customs procedures. Representatives of the International Road Transport Union (IRU) addressed general problems of the road transport industry and emphasized the high economic costs of non-physical barriers to trade and transport (such as, among others, long waiting times at borders). In the Belgrade seminar a representative of the OSCE/CPC Border Unit also participated and explained the OSCE Border Security and Management Concept. The seminars also aimed at exchanging best practices and experience sharing.

In Belgrade, during bilateral break-out sessions, participants from neighbouring countries were encouraged to discuss specific issues hampering (bilateral) cross-border and inter-agency co-operation. During the second day of the seminar, participants had the opportunity to visit three border crossing points on the border between Serbia and Croatia (Neštín, Sot and Batrovci).

The main conclusions of the meetings were the following:

- As a follow-up activity to the 14th OSCE Economic Forum, the seminars provided an illustration of the relevance of harmonization of frontier controls of goods for the security and cooperation objectives pursued by OSCE in the content of its Strategy Document for the Economic and Environmental Dimension.
- The OCEEA believes that having held these events has strengthened ties with the UNECE and could offer new opportunities for future cooperation with OSCE participating States and regional organisations.
- There was wide support for holding further training seminars on the implementation of the Harmonization Convention, especially in the light of the need for assistance that was expressed by a number of OSCE participating States.
- The UNECE announced that it would, based on the outcomes of the seminars, consider proposing to further develop operational guidelines of the Convention including security issues and that it would further elaborate additional modal specific regulations and guidelines.

A number of countries expressed the need for additional training on the implementation of the Harmonization Convention. The OCEEA, in close cooperation with the UNECE Transport Division, is now considering offering, in the course of 2007, national, tailor-made technical assistance seminars.

### 3.4 OSCE work on landlocked countries

In December 2006, at the Brussels Ministerial Council meeting, based on the recommendations of the 14th Economic Forum process, OSCE participating States adopted a MC Decision on “Future Transport Dialogue in the OSCE” (No. 11/06). Inter alia, the organisation of an OSCE Conference on the prospects for the development of trans-Asian and Eurasian transit transportation through Central Asia till the year 2015 was approved by this MC Decision. This followed an initial proposal made by the Government of the Republic of Tajikistan at the First Preparatory Conference to the 14th OSCE Economic Forum which took place in Dushanbe in November 2005. According to the MC Decision, the Conference should be convened in close cooperation with the Government of Tajikistan and together with the relevant international, regional and sub-regional organisations, with the aim of raising awareness and enhancing the political dialogue on the development of transportation in and through Central Asia, including the adjacent OSCE participating States and Partners for Co-operation.

The aforementioned MC Decision highlights, among others, the OSCE’s role and responsibilities in addressing the specific problems of landlocked developing countries in its region. In this regard, it notes that landlocked developing countries face unique challenges related to their lack of direct access to the open sea, their dependence on transit services and difficulties related to market access; it also acknowledges that addressing the needs of those countries requires a
long-term co-operative process. Furthermore, OSCE participating States decided to support the implementation of the Almaty Declaration and the Almaty Programme of Action (APA) in the OSCE area, with a view to improving the transit potential of landlocked developing countries by strengthening the regional political dialogue and by supporting the relevant UN structures and other international organisations in their capacity-building programmes. Through this MC Decision, the OSCE Secretariat is also encouraged to strengthen co-operation with the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States (UN-OHRLLS), notably in the framework of the (2008) mid-term review of the APA.

The Almaty Programme of Action aims to:

- Secure sea port access by all means of transport according to international law;
- Reduce costs and improve services to increase the competitiveness of landlocked developing countries' exports;
- Reduce the delivery costs of imports;
- Address problems of delays and uncertainties in trade routes;
- Develop adequate national networks;
- Reduce loss, damage and deterioration en route;
- Open the way for export expansion;
- Improve safety of road transport and security of people along transit corridors.

Conference in Tajikistan: current status of preparations

On 12-13 December 2006, the OCEEA organised together with the UN-OHRLLS in Vienna a first preparatory Expert Workshop on the Specific Problems of Landlocked Countries Regarding Transit and Transportation.

One aim of this meeting was to formally launch the preparatory process for the Conference. It provided a good opportunity for the exchange of information among experts from various regional UN agencies active in the field of transit transportation and trade and border-crossing facilitation such as the UN-OHRLLS, the UNECE, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and the United Nations Economic Commission for Africa (UNECA). In addition, it benefited from the substantive expertise of relevant partner organisations such as Asian Development Bank (ADB), World Customs Organization (WCO), Intergovernmental Commission (IGC) TRACECA, United Nations Development Programme (UNDP), United Nations Conference on Trade and Development (UNCTAD), IRU, EurAsEC, European Commission, European Conference of Ministers of Transport (ECMT) and others.

The participants exchanged views on the transit transport situation in Central Asia and South Caucasus with a view to, inter alia, identify relevant (sub-) topics to be included on the agenda of the Dushanbe Conference. Based on the expert workshop deliberations, the OCEEA selected the following four areas:

- Development of transport corridors and infrastructure
- Trade, transit and transport facilitation measures
- Financing and investment
- Involvement of the private sector

Regarding the role of the OSCE, participants agreed that in addressing the problems of landlocked developing countries in its region, in particular the specific transport and transit needs from and through Central Asia and South Caucasus (including the adjacent OSCE participating States and Partners for Co-operation), the OSCE with the support of the UN-OHRLLS could play the role of a facilitator, a political catalyst offering a platform for dialogue and co-operation among participating States, international actors, the business community and others. UN-OHRLLS-OSCE co-operation could open up new avenues in the implementation of the APA in Central Asia and South Caucasus.
4. The 15th Economic and Environmental Forum

The Permanent Council Decision PC.DEC 735 of 6 July 2006 adopted “Key challenges to ensure environmental security and sustainable development in the OSCE area: Land degradation, soil contamination and water management” as the central theme of the 15th Economic and Environmental Forum.

On 19 October 2006, in order to reflect the growing importance the international community attaches to environmental policy, the Permanent Council decided (PC.DEC 743) to change the name of the OSCE Economic Forum to the OSCE Economic and Environmental Forum (EEF).

Two preparatory Conferences, in Bishkek and Zaragoza, as well as the first part of the Forum in Vienna were organised by the OCEEA in close co-operation with the Spanish Chairmanship of the OSCE for 2007. They allowed experts and policy makers from OSCE participating States, Partners for Co-operation, international and regional organisations, the business community, academia and non-governmental organisations, to analyse and discuss issues related to land degradation, soil contamination and water management in the OSCE region. Numerous proposals for follow-up activities were put forward.

Speakers’ presentations and documents circulated during these meetings were compiled in a CD-ROM which can be provided upon request by the OCEEA. To support the preparatory process, the OCEEA circulated two background notes: SEC.GAL/164/06 and SEC.GAL/44/07, to introduce the topics discussed in Bishkek and Zaragoza, respectively. Ahead of the Vienna Forum, the OCEEA also prepared an introductory note (EF.GAL/2/07) focusing on the possible role of the OSCE in the context of the 15th Economic and Environmental Forum.

4.1. Bishkek Preparatory Conference: Land Degradation and Soil Contamination

The First Preparatory Conference for the 15th OSCE Economic and Environmental Forum was held on 16-17 November 2006 in Bishkek and attracted over 180 participants. The main focus of the Conference was “Land Degradation and Soil Contamination”.

The Conference tackled issues such as: ensuring environmental security and sustainable development; the impact of hazardous activities on environmental security; sustainable use of land, agriculture and food security; sustainable forest management; environmentally induced migration; integrated watershed management; public and private response to meeting the challenges of land degradation and soil contamination.

The Bishkek Conference accomplished its main goal of adding more information and knowledge on the land degradation and soil contamination related issues and existing initiatives in the OSCE region and in particular in Central Asia, bringing thus more clarity with regard to the possible role of the OSCE. Many suggestions for the OSCE and its participating States were put forward. The Conference contributed thus to a better prioritisation of issues and areas of activity, to the identification of opportunities and gaps, which could be tackled by the OSCE, through developing networks with other international organisations.

The OCEEA circulated the Consolidated Summary of the Conference including all the reports and recommendations from the sessions under the reference number SEC.GAL/221/06.
4.2. Vienna Forum

Building on the results of the Bishkek Conference, the first part of the 15th Economic and Environmental (Vienna, 22-23 January 2007) gave a strong political stimulus for the OSCE involvement in the areas of environmental security, sustainable development and in particular with regard to addressing land degradation and soil contamination.

Over 350 participants, official representatives from OSCE participating States, international and non-governmental organisations, the business community and the academic community, as well as OSCE field offices attended the Forum and engaged in discussions.

The Forum highlighted that global climate change, desertification, scarcity, mismanagement and unsustainable use of resources, military and industrial legacies, as well as transboundary pollution all have security implications. It was stated that the interlinked topics of land degradation and soil contamination strongly relate to the loss and shortages and/or mismanagement of vital resources such as water, soil and food. These problems transcend borders and can not be solved by one country or one organisation acting alone. Co-operation and co-ordination are crucial and any efforts in addressing the subjects at hand must be joint ones. It was also emphasised that a strong civil society component should be envisaged when designing follow-up activities.

The proposal put forward by the Spanish Chairmanship of the OSCE to develop in the course of 2007 a document on OSCE Environmental Security Strategy received strong support. The work in that regard will continue in the OSCE context.

A number of areas where the OSCE could engage in follow-up activities were identified, such as:

- The OSCE should continue its efforts in promoting good governance, with a renewed focus on environment; the OSCE could strengthen governance through education, training and capacity building at national and local levels;
- The OSCE could promote environmental security in areas of tension as a tool of peace and confidence building and reconciliation between parties; the OSCE should focus on identifying priorities in terms of threats to security and stability;
- The OSCE could work with the United Nations Convention to Combat Desertification (UNCCD) to launch a capacity and institution building initiative in Central Asia, aiming at the creation of a regional Centre for Monitoring Land Degradation and Desertification;
- The OSCE and the UNECE should intensify their co-operation in promoting the existing international environmental conventions; in particular the importance of the principles of the Aarhus Convention was stressed;
- The OSCE should raise awareness on the social effects of land degradation and soil contamination such as environmentally induced migration;
- The OSCE could serve as a platform for exchange of information, best practices and lessons learnt; in this context tackling and remediation of military and industrial legacies (mining sector) were mentioned;
- The OSCE should increase its co-operation with organisations involved in promoting sustainable forest management and, in this context, focus on combating illegal logging and other phenomena associated with it, such as corruption, organised crime, money laundering;
4. The 15th Economic Forum:

- The OSCE should promote corporate responsibility principles and engage the business sector in advancing sustainable development; a conference on public private co-operation in this area was proposed.

The Consolidated Summary of the Vienna Forum was circulated under the reference number EF.GAL/7/07/Rev.1.

4.3. Zaragoza preparatory conference: water management

The Second Preparatory Conference to the 15th OSCE Economic and Environmental Forum was held on 12-13 March 2007 in Zaragoza, Spain, and gathered over 180 participants. It focused on Water Management.

The Zaragoza Conference discussed, inter alia, issues such as: fostering water co-operation – international and regional experiences; OSCE experiences in promoting transboundary co-operation on water management; economic governance aspects of sustainable water management; the role of good governance and of regional initiatives in the prevention of water related conflicts; emergency response, disaster preparedness and drought plans.

The OSCE Chairman-in-Office, H.E. Mr. Miguel Ángel Moratinos Cuyaubé, Minister of Foreign Affairs of Spain, addressed the conference during a special session.

Participants in the Conference emphasised that more attention should be paid to the benefit sharing potential of water co-operation and that effort should be made to build a sense of water as a source of co-operation, not conflict. Another important conclusion was that water management is very much linked to good governance. In terms of possible follow-up role for the OSCE, the Conference identified a number of priority areas such as: to provide a political impetus to inter and intrastate cooperation and policy integration; to work with the UNECE in promoting the Convention on the Protection and Use of Transboundary Watercourses and International Lakes; to support local capacity building as it can enable civil society contributions to water management; to support regional activities and to strengthen co-operation with regional organisations; to facilitate sharing of best practices as well as the transfer of new, efficient technologies.

All the recommendations emerging from the three above mentioned meetings were analysed in Vienna by the OCEEA together with the OSCE Chairmanship, as well as by all the participating States, in the framework of the Economic and Environmental Committee. These discussions paved the way and provided useful guidelines to the preparations for the second part of the 15th Economic and Environmental Forum, which will be held in Prague, on 21-23 May 2007.
5. Good Governance

The process of economic transition is often accompanied by institutional weakness, resulting in a legal vacuum which can be easily exploited by criminal and corrupt elements. Crime and corruption in turn deter domestic and foreign investment and can favour the mismanagement of already scarce public resources. A sound business environment and good governance are essential preconditions for sustainable economic growth, enabling states to reduce poverty and inequality and increase social integration.

Based on OSCE Ministerial and PC Decisions, as well as the Strategy Document for the Economic and Environmental Dimension, the OCEEA focuses its activities in the area of Good Governance on the fight against corruption and money laundering as well as against the financing of terrorism. The OCEEA also participates actively in the OSCE Task Force on Combating Organised Crime under the OSCE Secretary General.

All activities in the area of good governance take place in close co-operation with partner organisations. One of the key partners of the OSCE is the United Nations Office on Drugs and Crime (UNODC). Joint activities between the OSCE and UNODC include the promotion of the UN Convention against Corruption in compliance with the Sofia Ministerial Council Decision Nr. 11 on combating corruption. The OCEEA and UNODC also co-operate closely on combating money laundering and the financing of terrorism by implementing joint workshops aimed at capacity building and legislative development.

5.1 Promoting transparency and combating corruption

Albania – Promoting transparency and good governance at the national and local level
In continuation of its work of 2005, the OSCE Presence in Albania maintained in 2006 its support for the efforts of the municipality of Tirana to improve transparency of its budget. Public perception of the work undertaken by city officials was also taken into consideration. The findings of the Tirana Transparency Survey of 2006, elaborated by the Institute for Development and Research Alternatives and financed by the Presence, became the basis for the 2007 municipal budget deliberations.

Albania – Budget analysis
As part of its efforts to promote transparency and good governance in local government in the framework of fiscal decentralisation, an analysis of budget priorities and indexes at the municipality and communal level was supported by the OSCE Presence in 2006. The project helped 14 communes and municipalities of Albania in local planning and management and increased transparency in public decision-making during the budget compilation and allocation process. The Project findings were published and delivered to the interested audience of local government actors.
Albania – Workshops with newly elected mayors

A series of capacity building workshops, jointly organised with the Government’s High Inspectorate on the Declaration and Auditing of Assets, were held with the newly elected mayors of municipalities of Albania during April-May 2007. The aim of these workshops was to introduce best practices and to teach how to identify and avoid conflicts of interest when exercising official duties. About 65 mayors and 50 high level officials of the municipalities benefited from the programme.

Azerbaijan – Regional Anti-Corruption Centres

In support of anti-corruption efforts, the OSCE Office in Baku, besides its numerous activities aimed at awareness raising, helped to open regional Anti-Corruption Centres in the cities of Guba and Sheki in close co-operation with Transparency Azerbaijan. The Office also supported three other centres in Baku, Ganja and Lenkaran, leading to the establishment of an operational national anti-corruption network in Azerbaijan. The five Anti-Corruption Centres enable people to report on corruption cases they experience and assist them in taking their cases to court when necessary. The five Centres are bridging the gap between the population, the business community and the administration by providing assistance in enhancing the new anti-corruption legislation and implementing the reform of policies.

Azerbaijan – Fighting Corruption in Higher Education

On 29-30 November 2006, the OSCE Office in Baku, in co-operation with the American Bar Association/ Central European and Eurasian Law Initiative (ABA-CEELI) and the United States Agency for International Development, co-organised a two-day international conference on “Fighting Corruption in Higher Education”. The conference brought together over 80 education ministry officials, university administrators, professors and students to discuss best practices in fighting corruption in higher education and to share real life experiences about the negative impact of corrupt practices on society, businesses and economic development of Azerbaijan.

The presentations and discussions provided participants with insight into corruption around the world, increased their understanding of the consequences of corrupt practices and their knowledge of different measures that can be taken to reduce corruption in higher education.

H.E. Misir Mardanov, Minister of Education of the Republic of Azerbaijan, opened the conference along with Amb. Maurizio Pavesi, Head of the OSCE Office in Baku, H.E. Anne Derse, United States Ambassador to Azerbaijan, and Mr. Frank Hespe, Country Director of ABA-CEELI Azerbaijan.

Georgia – Monitoring of the Implementation of Georgia’s Anti-Corruption Strategy

With the purpose of assisting the government of Georgia to continue structural and policy reform processes to combat corruption and enhance socio-economic development, the OSCE Mission to Georgia financed the monitoring of the implementation of the Georgian National Anti-Corruption Strategy in 2006.

In 2001, Georgia joined the Anti-Corruption Network for Transition Economies (ACN), a regional OECD-led anti-corruption initiative of national governments, civil society organisations and international donor agencies. In adherence to the ACN recommendations, the Georgian government adopted a National Anti-Corruption Strategy and its Implementation Action Plan.

In order for the Strategy and action plan to be effectively implemented, it is important to keep Georgian citizens informed about the Strategy priorities, the process of its enforcement and build public support for this process. Within the framework of the project, the implementation process of the Anti-corruption strategy plan of the Georgian government was monitored and an alterna-
5. Good Governance

tive, non-governmental and non-biased analysis on the achievements by the government on this path produced. This document was disseminated among regional government officials, national and regional media and NGO representatives and to the public.

**Georgia – Strengthening Good Governance in Georgia**

To support the development of transparent, accountable and effective local self-governance (LSG), an easily accessible support unit was established by the OSCE Mission to Georgia in 2005. The support unit, called Local Resource Centre (LRC), was established in two districts of Georgia bordering with Azerbaijan and Armenia and characterized by the multiethnic composition of its population.

The LRC carries out permanent capacity building of elected and appointed representatives of the LSG by providing trainings, seminars and consultations on legal, economic and citizen participation issues. To date some 100 different trainings and seminars were conducted and up to 900 consultations were provided to more than 80 representatives of local self government in both target areas.

In both districts, the LRCs are located in the LSG buildings so that they are easily accessible and can provide support on an ad-hoc basis. The LRC are equipped with qualified human resources and all necessary office equipment, which ensure an effective operation of the centres.

**Kazakhstan – Roundtable on improving measures to combat corruption in the private sector**

In October 2006, the OSCE Centre in Almaty, in collaboration with the Kazakhstan Agency on the Fight against Economic and Corruption Crime ("Financial Police") and Transparency Kazakhstan, organised a round table on improving measures to combat corruption in the private sector, with a particular focus on small and medium sized enterprises. Representatives of the Government, business communities, NGOs and international organisations attended the meeting. In addition to enhancing the dialogue between state officials and the business community, the meeting also provided an opportunity to promote the UN Convention against Corruption and the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime. A manual for entrepreneurs on the role and duties of state bodies involved in fight against corruption, published by the Centre and the Agency on the Fight against Economic and Corruption Crime was presented to the audience. At the roundtable, the Anti-Corruption Agency announced that it would support the ratification of the UN Convention against Corruption and the signing by Kazakhstan of the Council of Europe Convention. The participants assessed the work achieved by the Government of Kazakhstan in the field of combating corruption in the private sector and provided concrete recommendations on further improvements.

**Kazakhstan – manual on fighting corruption**

Awareness raising on combating corruption among the business community constitutes a key priority for the OSCE Centre in Almaty. This is why the Centre published a manual for entrepreneurs of small and medium sized enterprises on the role and duties of state bodies in fighting corruption. The publication of the manual was part of the national action plan adopted by the government aiming at the implementation of Kazakhstan’s National Programme to Fight Corruption in the years 2006-2010.

**Kyrgyzstan – activities aimed at fighting corruption**

The OSCE Centre in Bishkek supported civil society groups working together with parliamentarians in fighting corruption. A series of workshops was organised in the regions (at district and province levels) with local government representatives, law enforcement bodies and local NGOs. The Centre also gave direct assistance to the National Agency on Corruption Prevention by supporting an international anti-corrup-
tion mentor, imbedded in the Agency for four months, who provided Agency staff with consultancy services. The expert worked with Agency staff to prepare a new draft law on combating corruption. The Centre in Bishkek also promoted the Agency among the donor community. The Field Office in Osh facilitated the production of a set of TV programmes broadcast on national television. These programmes were highlighting corruption cases in the agencies responsible for social security, business regulation and for the educational system. The OSCE Centre in Bishkek also helped the newly established Financial Intelligence Unit (FIU) in planning, training and interacting with the international community.

Kosovo – Second workshop on the Anti-Corruption Action Plan
On 17 October 2006, OMiK organised a workshop in support of the Kosovo Anti-Corruption Action Plan (ACAP), which consists of a timeline for legislative, administrative, police and judiciary measures, as well as actions toward civil society. The main conclusions from the event included the recognition of the need of a comprehensive approach over several years and the priority of strengthening the investigative and prosecutorial capacities of the judiciary. In line with these conclusions, OMiK will further support the ACAP through a target-group to design a “professional development programme” and a public outreach campaign.

Kosovo – Supporting cross-border cooperation
In 2006, a series of conferences on Municipal Cross-border Co-operation (CBC) between the officials of Albania, the former Yugoslav Republic of Macedonia and Kosovo were held in different places of the region. The meetings were facilitated and co-organised by the OSCE Presence in Albania, the OSCE Mission in Kosovo and the OSCE Spillover Monitor Mission to Skopje. More than 50 participants, including significant delegations of mayors, officials from the municipalities located at the border region Dragash/Dragnaš (Kosovo), Kukes (Albania) and Tetovo (The former Yugoslav Republic of Macedonia) attended the events, which were aimed at fostering co-operation on border issues in the area.

Kosovo – Campaigning to support the Anti-Corruption Agency
The OSCE Mission, the UNDP and the Kosovo Anti-Corruption Agency (ACA) launched a two-week long public information campaign in December calling on people to help increase transparency and fight corruption. The campaign’s aim was to motivate the public to report cases of alleged corruption to the Anti-Corruption Agency and change the negative perception that little could be done to counter corruption. As part of the campaign, the three agencies announced the winners of a journalism award for the best transparency and anti-corruption reports published between 9 December 2005 and 2006, which is recognised as “Anti-Corruption Day”.

The OSCE Mission in Kosovo in co-operation with Kosovo authorities launched the Anti-Corruption Campaign. Price Awards were given for the best Anti-Corruption articles in local dailies. (Photo: Hasan Sopa).

During 2006, the Mission organised two seminars and several training sessions for political actors and civil servants to introduce the Anti-Corruption Agency and the requirements of the Anti-Corruption Action Plan (ACAP), adopted in February 2006 by the Provisional Institutions of Self Government (PISG) of Kosovo. In 2007 the Mission will run a new media campaign and provide capacity training for the ACA staff.

Moldova – SPAI Anti-Corruption Conference
On 8 November 2006, the OCEEA contributed to a joint training workshop in Chisinau organised by the Stability Pact for South Eastern Europe’s Anti-corrup-
Moldova – Promoting ethics in the public sector to prevent corruption
The OCEEA supported a project managed by Transparency International aimed at “Promoting ethics in the public sector to prevent corruption in Moldova”. Within the framework of the four-month project, the partners aimed at improving ethical standards in government institutions and public services providers and suggested improvements to the legislative framework on fighting corruption. The project partners advised lawmakers on drafting a law on a Code of Ethics for Public Servants and collected civil society feedback on the draft.

Montenegro – The role of Audit Institutions in Preventing Corruption
The Economic and Environmental section of the OSCE Mission to Montenegro co-organised an international Conference with the title “The role of Audit Institutions in Preventing Corruption” in May 2006. The conference was organised in co-operation with the government’s Anti-corruption Initiative, the Regional Anti-Corruption Office of the Stability Pact, the German Agency for Technical Cooperation (GTZ) and with the support of the president of the Slovenian Court of Audit. The OSCE Mission to Montenegro financed the participation of experts from Bulgaria, Hungary, Romania and Slovenia.

Montenegro – National Anti-Corruption Training
Following the proposal of the Chief State Prosecutor, the OSCE Office in Podgorica, in co-operation with the Council of Europe, organised a joint training session for prosecutors, Customs Administration, Tax Office, Financial Intelligence Unit, Anti-corruption Initiative Office and Police on investigating corruption and economic crime-related offences. The training session provided practical tools for detecting corrupt behaviour related to economic crime, with a specific focus on tax evasion, customs fraud and money counterfeiting. The OSCE engaged a senior prosecutor from the Croatian Office of the Special Prosecutor for Combating Organised Crime and Corruption to allow for a comparison of the Montenegrin system with special investigative means used in Croatia. As a result of the event, the Chief State Prosecutor intends to organise follow-up events on combating corruption and economic crime, with the goal of establishing a specialised unit within his Office on combating corruption.

Uzbekistan – training sessions
On 23-25 June 2006, the OSCE Centre in Tashkent organised several training sessions on the basics of budgeting, accounting and financial reporting in the self-governing communities (mahallas) in the Ferghana Valley of Uzbekistan. About 45 mahalla representatives (leaders and accountants) participated in the training.
5. Good Governance

5.2 Strengthening of Legislation and Promotion of International Standards

The OCEEA, in close co-operation with the UNODC Global Programme against Corruption and the OECD Anti-Corruption Network, actively promotes the UN Convention against Corruption, which was adopted in December 2003 and came into force in December 2005. Joint workshops and regional conferences on the Convention have been conducted in a number of countries in Central Asia, the South Caucasus and South Eastern Europe, with more activities planned over the coming years.

**UNCAC Practical Implementation Guide**

The OCEEA and the UNODC Global Programme against Corruption are currently engaged in jointly producing a Practical Implementation Guide of the UN Convention against Corruption aimed at assisting States in designing and applying the anti-corruption measures required by the Convention. The Guide is expected to be published in the second half 2007 and will be used as a training tool for governments, NGOs and the private sector across the OSCE region. The guide was compiled by an International Expert Group with leading anti-corruption participants from across the world.

**South Eastern Europe – Regional Conference on Combating Corruption**

The OCEEA, in co-operation with the Anti-corruption Initiative-Regional Secretariat Liaison Office (SPAI RSLO) of the Stability Pact for South Eastern Europe, organised a Regional Conference on “Sharing Best Practices and Lessons Learned in Preventing Corruption in South Eastern Europe” on 3-4 April 2007 in Tirana.

The event represented a follow-up to previous joint initiatives of the OCEEA and SPAI RSLO to promote the implementation of the UN Convention against Corruption (UNCAC) in South Eastern Europe. The conference aimed at enhancing the level of information exchange and professional experience in region in order to allow the countries of the region to speed up the process of harmonising their national legislation with the standards set forth within the UNCAC. Participants at the event included all SPAI members, i.e. Albania, Bulgaria, Bosnia and Herzegovina, Croatia, Montenegro, Moldova, Romania, Serbia and the UN Mission in Kosovo.

**Kazakhstan – Expert Seminar on the Criminalisation of Corruption**

In March 2007, the OSCE in co-operation with the Organisation for Economic Co-operation and Development (OECD), the Council of Europe and the UNODC, organised an Expert Seminar on the Criminalisation of Corruption in Almaty, Kazakhstan.

The purpose of Seminar consisted in deepening the understanding of legal experts and prosecutors in Eastern Europe and Central Asia about the main international legal standards for the criminalisation of corruption established by the relevant conventions, to discuss how these requirements are best introduced into the national legislation, and to present the experience of other countries on the practical application of these standards in legislation and in law enforcement. The discussions focused on the responsibility of legal persons for corruption – with the focus on issues associated with the drafting of legislation; the confiscation of tools and proceeds of corruption-related offences – with a focus on reviewing current legislation in order to identify gaps and supporting the drafting of legislation to cover these gaps; as well as mutual legal assistance (MLA) on corruption-related cases – with a focus on the practical difficulties in providing and receiving MLA, including legal issues and practical implementation issues. Participants included representatives of Armenia, Azerbaijan, Kazakhstan, the Kyrgyz Republic, Moldova, Russia, Ukraine and Uzbekistan.

**Montenegro – National Anti-Corruption Conference**

In February 2006, the OSCE organised a Conference on “The Implementation and Incorporation of the UN Convention Against Corruption into Montenegrin Legislation” in Podgorica in co-operation with the Anti-Corruption Initiative of the Stability Pact For South Eastern Europe, UNDP and the Montenegrin Directorate on Anti-corruption Measures.
5. Good Governance

5.3 Activities aimed at Combating Money Laundering and the Financing of Terrorism

In OSCE participating States, measures to combat money laundering and the financing of terrorism increasingly play a key role in the efforts to promote economic development, good governance and the rule of law. Based on OSCE Ministerial and Permanent Council Decisions, the OCEEA has been actively involved in addressing these threats, in co-operation with the UNODC’s Global Programme Against Money Laundering (GPML), the Council of Europe, NATO and other international partners. The OCEEA and GPML have developed joint national workshops on combating money laundering and the financing of terrorism and have organised a series of regional events over the past years.

OSCE admitted as an observer to the Eurasian Group on combating money laundering

In December 2006, the OCEEA attended the 2nd Donor’s Conference of the Eurasian Group on combating money laundering and the financing of terrorism (the EAG) in Moscow, as well as the EAG Working Group on technical assistance and the fifth EAG Plenary. At the plenary meeting, the OSCE was admitted as an observer to the seven-member Group alongside other international organisations such as the Financial Action Task Force (FATF), UNODC, the World Bank and the IMF. The meetings allowed the OCEEA to deepen its contacts with partners, other international organisations and OSCE participating States on issues related to combating money laundering and suppressing the financing of terrorism. During the working group meetings, the OSCE was requested to assist in a number of planned AML-CFT capacity and institution building activities in 2007 in the CIS, notably in Belarus, Kazakhstan, Kyrgyzstan and Tajikistan.

Central Asia – Judicial Conference on Anti-Money Laundering Legislation in Almaty

On 18-20 May 2006, the OSCE Centre in Almaty, in co-operation with the OCEEA, the American Bar Association’s Central and East European Legal Initiative (ABA-CEELI) and the Asian Development Bank, organised a Judicial Conference on Anti-Money Laundering Legislation in Central Asia. The aim of the event consisted in training Central Asian judges in applying legislation on money laundering and the financing of terrorism in their respective countries; in building networks of knowledgeable judges to facilitate the prosecution of cases; in developing recommendations on improving the judicial framework to facilitate prosecution of money laundering and the financing of terrorism. The event was attended by judges from Kazakhstan, Kyrgyzstan and Tajikistan.

OSCE-UNODC Regional Workshop for Prosecutors on Money Laundering

The OSCE, in close co-operation with the Global Programme against Money Laundering (GPML) of the UNODC, held a regional workshop on Money Laundering and the Financing of Terrorism for prosecutors from Central and Eastern Europe at the Hofburg in Vienna on 27-29 September 2006. The event was targeted at countries with functioning anti-money laundering systems and with a present or emerging need for training and assistance. The aim of the workshop consisted of providing an in-depth exchange of experience with international experts and prosecutors from other countries. The event was a follow-up to a successful regional Anti-Money Laundering Workshop for Financial Sector Supervisors, organised jointly by the OSCE and GPML at the Vienna Hofburg in June 2005.

Armenia – Anti-Money Laundering Seminar in Yerevan

On 27 June 2006, OSCE Office in Yerevan together with UNODC organised a seminar on combating money laundering and financing of terrorism for the Armenian authorities. The seminar was hosted by the Armenian Central Bank. Participants discussed best practices of inter-agency cooperation in the fight against money laundering and the financing of terrorism. Experts from the United Kingdom, the United States and Belgium presented practical examples of investigative methodology and co-ordination to more than sixty representatives from the General Prosecutor’s Office, the Financial Monitoring Centre of the Central Bank and the Armenian Police. The seminar was part of a series of activities supported by the OSCE Office in Yerevan intended to assist the Armenian authorities in strengthening the rule of law, build
their institutional capacity and enhance co-operation with international crime fighting organisations.

**Montenegro – National Anti-Money Laundering Workshop**

On 7-8 December 2006, the OCEEA in co-operation with the OSCE Mission to Montenegro and the GPML of the UNODC organised in Kolasin a national workshop on combating money laundering and suppressing the financing of terrorism. The main objective of the workshop consisted in enhancing national capacity with regard to technical and legislative aspects in familiarising decision-makers in Montenegro with the international experience in using legal and administrative AML/CFT tools and in identifying, together with international experts, needs for possible further legislative improvements.

**Kyrgyzstan – Conference on technical assistance to the Financial Intelligence Service**

On July 25 2006, the Financial Intelligence Service of the Kyrgyz Republic (FIS), with support of the OSCE Centre in Bishkek, hosted a conference on “Technical assistance to the Financial Intelligence Service in the Kyrgyz Republic” in Bishkek. The main objective of the conference was to bring the activities of the FIS to the attention of donor organisations and countries.
6. Economic Activities

The development of an investment friendly environment and the strengthening of institutional capacity for entrepreneurship and small and medium sized enterprises (SMEs) was a focus in the OCEEA’s efforts aimed to foster sustainable economic growth and stability. The production of the Best Practice Guide for a Positive Business and Investment Climate has provided a policy-making tool for OSCE participating States to advance their local business infrastructure.

Migration has been a priority area since the Slovenian OSCE Chairmanship of 2005. The joint publishing of a Handbook on Labour Migration with IOM and ILO has paved the way for a number of follow-up activities to improve labour migration management in the OSCE area.

The implementation of the OCEEA Anti-Trafficking Programme (ATP) continued throughout 2006 and was concluded in large part in December with a presentation to the Economic and Environmental Committee of lessons learned and new project directions for the future. The jointly organised event under Belgian OSCE Chairmanship “Public-Private Partnerships in Combating Trafficking in Human Beings” on 16 November 2006 highlighted the work of the ATP and the important role the private sector can play to help address some of the root socio-economic causes of trafficking.

6.1 Investment and Business Development

6.1.1. Promotion of Economic Development and SMEs

Armenia – Establishment of the OSCE programme implementation presence in the Syunik province

In June 2006, the OSCE Office opened its first programme implementation presence, in Kapan, the regional centre of the Syunik province. The new office will support local decision-makers in promoting economic development, especially focusing on facilitating small and medium sized entrepreneurship and attracting domestic and foreign investors to the region. It will also focus on security related environmental risks in the region, which is the location of a significant mining industry.

The opening of this presence was prompted by the recommendations of a strategic document on socio-economic development of the region which was commissioned by the OSCE Office in Yerevan.

Opening of the OSCE programme implementation centre in the province of Syunik.

Armenia – SME Development

On 20 March 2006, the OSCE Office signed a Memorandum of Understanding and Co-operation with the Small and Medium Entrepreneurship Development National Centre of Armenia (SME DNC), opening a new stage of co-operation to the benefit of Armenia’s sustainable economic development.

Under the Memorandum, the parties agree to support relevant authorities in designing and implementing SME Support Programmes and fostering integration into international and pan-European professional networks.

The Office initiated and commissioned the development of an Indicator System aimed at measuring effectiveness of government funded SME support.
The Office also initiated the translation of the OSCE “Best-Practice Guide for a Positive Business and Investment Climate” into Armenian as well as its dissemination among decision-makers.

Azerbaijan – SMEs and regional economic development

Following its goal to help diversify the Azerbaijan economy, the OSCE Office in Baku, together with EU-TACIS, has supported the recently established Azerbaijan Investment and Export Promotion Agency (Azpromo). The Office has been active in creating a database containing information on existing and potential exporters in all regions of Azerbaijan. Through the help of the OSCE Office in Baku, Azpromo gained expertise from leading investment promotion agencies in other transition economies.

Belarus – Agro-business development in Polesia

The OSCE Office in Minsk, together with the districts of Stolin and Slavgorod and the foreign engineering and development association (FERT), designed a programme, aimed to help the rural population to improve their business skills.

The programme emphasized the skills necessary for the agro-business and furthermore introduced examples of best practices to the participants. The training sessions were held in the framework of the CORE programme - Cooperation for the Rehabilitation of the living conditions in the Chernobyl-affected districts.

Georgia – Support to economic rehabilitation in the South Ossetia conflict zone

The OSCE Mission to Georgia conducted an economic needs assessment in the conflict zone in South Ossetia. As a result, a list of infrastructure and economic rehabilitation projects was identified. It was presented at a donor’s conference in Brussels in the summer and money was pledged to support many of these projects. The Mission has since begun implementation of several of these projects, commencing with training for entrepreneurs on business plan development.

Kyrgyzstan – Community-based Tourism

As an outcome of the annual Economic Dimension meeting, the OCEEA, in co-operation with the OSCE Centres in Central Asia and the Kyrgyz Community Based Tourism Association “Hospitality Kyrgyzstan” (KCBTA), launched the project “Community Based Tourism Development in the Central Asian Region” funded in part by the Spanish Chairmanship. The project aims to promote economic activity and small business development in rural areas using tourism as the vehicle for local income generation and environmental awareness. Additionally, increasing participation of rural citizens in decision making and strengthening their capacities to address socio-economic and...
environmental concerns will foster sustainable community development. The community-based tourism (CBT) model, successfully implemented in Kyrgyzstan, could be replicated in the other Central Asian states, together with the creation of a regional network of CBT associations. The project will commence with a visit of Kyrgyz experts to identify, with the assistance of the OSCE Centres, possible locations for CBT implementation as well as a national coordinating partner.

**Serbia – Trade in Services: An Answer Book for Small and Medium Sized Exporters**

The Economic and Environmental Department of the OSCE Mission to Serbia provided financial support to the translation and publishing of the “Trade in Services: A Guide for Small and Medium Sized Exporters”. The book is a result of joint efforts of the Serbian Chamber of Commerce, the World Trade Organization and the

Guide for SME exporters.

OSCE Mission to Serbia and deals with international trade rules and rules related to trade in services.

**Serbia – Belgrade Business Incubator**

The OSCE Mission to Serbia, together with the Government of Israel and the City of Belgrade, supported the creation of a Business Incubator Centre, attached to the technical faculties of the University of Belgrade. The establishment of the Incubator serves the following goals:

- encouraging and supporting students to start up their own businesses;
- developing a pool of young and well-trained entrepreneurs;
- creating practical applications for the results of the scientific work and research performed at university.

**Tajikistan – Business centres**

In 2006, the OSCE Centre in Dushanbe funded the start-up of four permanent centres providing information to small entrepreneurs and training courses on starting and managing a small business. Two of the centres, in the Bohtar District of the Khatlon Region and Khorog, the administrative centre of the Kuhi Badakhshon Autonomous Region, institutionalised experience gained in earlier business training projects. Two, in Khujand in the Sughd Region and Shahrinav, in the area west of Dushanbe, were new ventures for the OSCE. A fifth business centre, in the town of Jirgatol in the eastern Rasht Valley, had already received OSCE support for its business training programme. The five centres — and the towns in which they were located — were assessed in early 2007 as prospective sites for full-fledged business incubators.

As a continuation of its Support to Land Reform in Tajikistan projects, the Centre in Dushanbe supported the creation of five information and consultation centres for farmers and agricultural businesses, two in Dushanbe and the Rasht Valley, three in the Khatlon Region. In addition to providing information on taxation, marketing and crop improvement for individual farmers, the centres conduct courses on these topics on farms in their immediate areas. In 2007, additional centres were started in the Sughd and Khatlon Regions, while existing centres started the process of transformation into commercial consulting firms.
6. Economic Activities

6.1.2. Investment and Business Development

**Armenia – Armenia Diaspora Economic Forum**

The OSCE Office supported the “Armenia Diaspora Economic Forum” by organising three sector-specific round tables with the main focus on “SME Development Prospective in Armenia”, “Socio-Economic Prospective of Syunik Province” and “Business Incubation to enhance SME Development”.

In this context the Office conducted a two-day side visit to the province of Syunik for potential business partners, international organisations and NGOs and helped to organise an exhibition of locally produced goods and services, as well as meetings with the local business community and the province administration for enhancing business links and promoting public-private partnership.

**Bosnia and Herzegovina – Youth Entrepreneurship**

The Mission’s Youth Entrepreneurship Project has attracted considerable attention as it supports young people to start up their own business, by providing training and advice, together with access to potential sources of financing, such as micro-credit institutions. Candidates with a genuine interest in opening and running their own business, or already running a business but requiring advice on how to run it more efficiently, are offered intensive three-day training seminars, during which they are taught about the practical issues involved in putting their plans into practice. About 500 young people have participated in the project, leading to 50 new businesses being established. A further 28 Youth Entrepreneurship Seminars will be held throughout Bosnia and Herzegovina in 2007.

**Kazakhstan – Development of Ecotourism**

The OSCE Centre organised a round table on ecotourism development in natural protected areas, including National Parks. One of the main objectives of the meeting was to discuss the problem of administrative barriers impeding the development of ecotourism-related activities and to design recommendations aiming at supporting tour operators and local communities living in natural protected areas, in this sector of activity.

**Serbia – Establishment of the “Association of Corporate Directors”**

The OSCE Mission to Serbia supported the set-up of the “Association of Corporate Directors”. The Association, established as a legal entity with its own Constitution and managing bodies, brings together directors of local corporations, banks and insurance companies as well as multinational companies operating in Serbia. Special emphasis is given to the participation of independent non-executive directors. The overarching goal of the Association is to promote the best practices in corporate governance.

**Serbia – Young Entrepreneurial Spirit**

The OSCE Mission to Serbia initiated the third round of the YES programme aimed at the training of young, educated, yet unemployed people in the less developed regions of Serbia, demonstrating the importance of entrepreneurial activities in overcoming poverty. The
trainees were shown how to set up their own business, develop skills and further upgrade them in the competitive market. The training courses were held in four Belgrade municipalities in 2006 and in Central Serbia (Grocka, Smederevo, Pozarevac, Obrenovac and Lazarevac) in 2007. More than 350 trainees obtained a YES diploma.

**Turkmenistan – Conference on Sustainable Tourism Development**

In May 2006, the OSCE Centre in Ashgabad, in cooperation with the State Committee on Tourism and Sports and the Foreign Ministry, held a two-day conference on sustainable tourism development. The conference brought together about 80 participants from all tourism sectors and educational institutions. The goal of the conference was to provide a forum for discussing long-term objectives and new methods to raise Turkmenistan’s profile as a tourism destination. Practical recommendations were shared on how to help improve the tourism sector in Turkmenistan, including the development of a tourism portal, the publication of tourism newsletters, training for local tour operators, and other opportunities for private business development in this sector to alleviate local poverty and unemployment. Conference participants visited the historic cultural site of Nisa, and discussed methods of making tourist sites more attractive and marketable with international and local experts.

The conference on tourism was followed by a series of training events entitled “Youth Employment Generation”, which focused on developing careers in the

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**Series of lectures on global economy and international relations in Turkmenistan**

In October 2006, more than 300 students attended lectures on the global economy at the Turkmen State University and the Turkmen-Turkish University. The three-day event, organised by the OSCE Centre in Ashgabad in co-operation with Turkmenistan’s Foreign Ministry and the universities, focused on issues of globalisation, sustainable development and international economic relations and was met with lively interest by the students. The lecture series opened the door for the further development of academic contacts and greater sharing of experience between Turkmenistan and European institutions of higher learning.
tourism sector. More than 100 young people took part in the events held in Ashgabat, Mary and Turkmenbashi, and 50 of the participants subsequently found employment in tourism-related services.

**Uzbekistan – Training sessions on arbitration law**

The OSCE Centre in Tashkent, in cooperation with the Chamber of Industry and Commerce of Uzbekistan and the NGO “Legal Problems Research Centre”, held two training sessions on arbitration law. The overall objective was to introduce participants to the law of arbitration, which could help to improve the investment climate in Uzbekistan. The training sessions were held in late December 2006 in the provinces of Karakalpakstan and Horezm. About 150 persons (lawyers, judges, farmers, entrepreneurs and state employees) participated in these trainings.

**6.1.3 OSCE Best-Practice Guide for a Positive Business and Investment Climate**

In May 2006, the OSCE Best-Practice Guide for a Positive Business and Investment Climate was launched during the second part of the 14th Economic Forum in Prague and disseminated widely to OSCE participating States. The publication is a response to a request made by OSCE participating States at the 12th Economic Forum that the Organisation should facilitate information availability and exchange of best practices on investment promotion and SME development.

With the assistance of the Ukrainian investment agency Invest Ukraine, the Russian version of the Guide was presented and distributed at a regional workshop in Kyiv on 21-22 November 2006, where more than 40 governmental officials from Ukraine, Moldova and Russia as well as international experts discussed national experiences for improving the business and investment climate. Best practices in administrative procedures, protection of investors’ right, corporate governance as well as establishing investment promotion agencies were exchanged.

The OSCE Office in Yerevan translated the Guide into Armenian and presented it at the Armenia Diaspora Economic Forum in September 2006 to Armenian policy-makers and the business community. The participants in Armenia welcomed the Guide as a useful and practical tool for further strengthening the business environment and reducing administrative barriers for domestic and foreign investments. Together with the OSCE Presence in Albania, the OCEEA plans to publish the Guide in Albanian and organise a regional workshop. The OCEEA also plans to promote the Guide in co-operation with the OSCE field presences in Central Asia.

**The Russian version of the OSCE Best Practice Guide for a positive Business and Investment Climate.**

**6.1.4 Investment and Development in the Central Asia and the Black Sea Regions**

On 11-12 July 2006, a Conference on Investment and Development in Central Asia and the Black Sea regions was organised in Istanbul, Turkey, by the OECD and the OSCE/OCEEA, in co-operation with the Turkish Government. The purpose of the meeting was to explore the possibilities for developing an initiative on investment and development in the Central Asian and Black Sea regions, with the support of donor countries and international organisations. Based on the positive feedback of the Conference participants, it was agreed that the OECD would continue to develop the Initiative in co-ordination and cooperation with the OSCE and other relevant institutions in the regions.

**Georgia – Support to Transit Development**

With the purpose of promoting the development of a transit corridor through Georgia and contributing to trade facilitation, the OSCE Mission to Georgia financed the elaboration, publication and distribution of a guide “Transit through Georgia” in 2006. The guide provides comprehensive and full information on the border-crossing and transit procedures in Georgia.
The guide has been published in Georgian, Russian and English. It includes a colour map with marked customs check-point and main directions of movement. 3000 copies of the guide have been distributed to international transporting companies, Border Administration and Customs Department for further distribution.

6.2 Migration-related activities

Owing to recent migration and demographic trends in the OSCE area, a number of OSCE participating States have become significant destination, transit or origin countries, or a combination of all three, with economic, social, cultural and security implications requiring co-operation at many different levels to effectively address migration management.

The Slovenian OSCE Chairmanship in 2005 placed migration firmly on the agenda of the OSCE. Full use was made of the three-dimensional nature of the Organization to address the complex topics related to migration in a comprehensive manner by discussing migration in the contexts of border security and management, sustainable development, tolerance and non-discrimination, and human rights. The discussions resulted in a Ministerial Decision on Migration in 2005 and concrete migration activities for the OCEEA, based on the recommendations of the 13th OSCE Economic Forum.

Migration has been recognised as a comprehensive security issue since the Helsinki Final Act (1975) and reinforced in many subsequent OSCE documents and commitments, but mainly related to the rights of migrant workers. Since 2005 migration has also been introduced into the activities of the OCEEA, where it is being addressed from an economic and environmental perspective.

The OCEEA provided support to participating States and the Chairmanship in 2006 in drafting a Ministerial Statement on Migration and preparing a Report to the Ministerial Council on OSCE Migration Activities in 2006, pursuant to a Ministerial Decision of 2005. The OCEEA continued to develop its work in the area of labour migration and environmental migration. Cooperation was reinforced with OSCE institutions and field presences, relevant international and regional organisations and non-governmental organisations in the area of migration. The OCEEA also supported the Office of Democratic Institutions and Human Rights (ODIHR) in carrying out a research project on labour migration to Kazakhstan.
6. Economic Activities

**Handbook on Labour Migration and capacity building workshops**

Through the Handbook on Labour Migration, OSCE has been able to provide a useful regional and sub-regional forum for its participating States and Mediterranean Partners for Co-operation for advancing dialogue, experience sharing and political exchange on labour migration issues from the perspective of countries of origin, transit and destination.

The Handbook was presented at the OSCE 2006 Mediterranean Seminar in Sharm El-Sheik, Egypt, in November. Based on requests by the Mediterranean Partners and interest expressed by other countries as well, work has begun on production of a Mediterranean edition of the Handbook. This edition will be made available in both Arabic and English.

On 6-7 December 2006, the OCEEA co-organised, with the IOM and the ILO, an international Workshop on the Labour Migration Handbook in Moscow. Over 80 government officials, representatives of trade unions and employers’ organisations from the CIS countries, as well as experts from international and non-governmental organisations attended the event. The participants discussed policies and exchanged best practices in the area of labour migration in the CIS region, including the adoption of appropriate legal framework for migration, creation of institutional capacity and information exchange systems, development of strategies to maximise the benefits of remittances and effective measures to reduce irregular migration. The Handbook was well received by the participants and, based on their requests, additional capacity building workshops are being planned for 2007 in the CIS region on specific aspects of labour migration management.

**Contribution to the Global Forum for Migration and Development**

The Global Forum on Migration and Development, a state-led multilateral and multi-stakeholder process, will be launched at its first meeting in July 2007. The OSCE/OCEEA has been closely following the issues being discussed as an observer and stands ready to offer its further support to the Forum.

**Kazakhstan – Training Session on labour migration**

Addressing issues of labour migration has become a priority in Central Asia. Raising public awareness through media channels and the dissemination of information on rights of migrants and the implications of bi-lateral and regional agreements have become activities of various OSCE Centres. The OSCE Centre in Almaty and the OSCE Centre in Bishkek organised a joint training session on labour migration, in which journalists from Kazakhstan and Kyrgyzstan were acquainted with various aspects of labour migration.

**Tajikistan – Information Resource Centre for Labour Migrants**

The OSCE Centre in Dushanbe supported the activities of the OSCE-IOM Information-Resource Centre for Labour Migrants in Dushanbe. The Centre was established in 2004 and aims to better prepare intending labour migrants, by providing them with accurate information on their life and work abroad. In 2006, the OSCE Centre in Dushanbe extended the network of regional information centres and opened four additional centres in Kurghon-teppa, Khujand, Kulob and Sharitus. OSCE will continue to support these centres through 2007. Also in 2006, the Centre in Dushanbe began to work with the Foreign Employment Service, Tojikkhorijakor, a state company that locates specific jobs abroad and helps migrants apply for them. Adding the services of Tojikkhorijakor to the informational work of the regional migrants’ centres will help to convert the centres into self-sustaining agencies.
Environmental Migration
As a result of the discussions at the OSCE 13th Economic Forum, as well as the various presentations during the 15th Economic and Environmental Forum and its preparatory conferences, the OCEEA has initiated discussions with relevant partner organisations on the topic of environmentally induced migration.

One important consequence of serious environmental degradation is the rise of migratory flows from environmentally degraded regions. The development of policies responding to this new challenge has frequently been hindered by the lack of reliable statistical information and analysis. The OCEEA has developed a project that aims to increase the capacity of local research institutes in Central Asia to analyse this phenomenon and give substantiated policy advice to governments. This will continue throughout 2007/8 and will be on the agenda of the Environment and Security Initiative (ENVSEC) as well.

6.3 OCEEA Anti-Trafficking Programme (ATP)

The OCEEA presented the main outcomes and lessons learned of the three years of the regional ATP to the EESC on 15 December 2006. In addition to the processes catalysed and mechanisms created in the eight countries of implementation (Albania, Austria, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Montenegro, Romania, Ukraine), a number of challenges underscored the importance of political commitment and the essential role of government ministries to support anti-trafficking projects and help mobilize other decision-makers, particularly the private sector.

Promotion of the Code of Conduct for the Protection of Children against Sexual Exploitation in Travel and Tourism

The OCEEA continued with the implementation of the Code of Conduct in the four pilot countries of Albania, Bulgaria, Montenegro and Romania. In Bulgaria and Romania, the Austrian Development Agency leveraged OSCE extra-budgetary funding to allow for additional training and lobbying of decision-makers with emphasis on the Black Sea region, to adopt the Code’s principles.

The strong commitment of the Montenegrin tourism industry, as a result of the efforts of the OSCE Mission to Montenegro and government support, was demonstrated by 288 businesses, including hotels, travel agencies, tour operators, transport companies and other decision-makers, signing the Code of Conduct at an official ceremony in September. The following month, training seminars for the signatories on how to operationalise the Code were organised throughout the country.

In Albania, a Memorandum of Understanding (MoU) was signed in early 2007 between the Ministry of Tourism, the Ministry of Interior (Anti-Trafficking Focal Point) and the OSCE Presence in Albania, solidifying the political commitment needed to proceed with the project implementation.

The outcomes of the Code of Conduct Project include the following:
- Awareness raising and lobbying among government, tourism industry, general public of the risks of international tourism to children.
- Official signing of the Code of Conduct by local decision-makers and industry representatives.
- Technical training workshops for the staff of signatory companies – staff of tourism industry.
- Establishment of a multi-stakeholder monitoring committee to monitor the implementation of the Code.
In the context of the OCEEA’s Anti-Trafficking Programme, the OSCE Presence in Albania (PiA) relaunched its implementation of the parallel project: “Public-Private Co-operation in the Prevention of Trafficking and Sexual Exploitation of Minors in Travel and Tourism Industry in Albania and Montenegro”. The PiA played an active role in the development and signing of a MoU on 7 February 2007 between the Ministry of Tourism, Culture, Youth and Sports and the Ministry of Interior and the PiA for reintroducing and implementing the Code of Conduct on the Protection of Children from Sexual Exploitation in Travel and Tourism. As part of the project, a national monitoring board of ethics, with representation from government, private sector and civil society will be established.

The international community, including OSCE and UNICEF, will monitor the work of this committee. The project will proceed in 2007 with a number of training workshops for the tourism industry and local stakeholders to raise awareness of the risks of child exploitation and how the Code of Conduct can be instrumental in its prevention.

**Bosnia and Herzegovina – Combating Human Trafficking**

As part of its capacity building efforts, the OSCE Mission to Bosnia and Herzegovina provided expert assistance to authorities in Bosnia and Herzegovina (BiH) in order to support their activities aimed at combating trafficking in human beings. More specifically, the Mission and the Office of the State Co-ordinator for Combating Trafficking in Human Beings and Illegal Immigration in BiH, in co-operation with the NGO La Strada BiH, organised a multi-agency training on "Investigating Human Trafficking without Relying on Victims". Over a three-week period in Sarajevo in May 2006, prosecutors, police officers, trainers from the police academies and representatives of the non-governmental sector participated in a training programme the Mission prepared in co-operation with the OSCE’s Strategic Police Matters Unit in Vienna.

The main objective of the training, the first of this kind conducted in BiH, was to improve the quality of investigations and to increase the successful prosecution of traffickers in human beings. During the training, participants had the opportunity to learn by doing and make themselves familiar with modern education methodologies as part of the “train the trainers” module. In addition to its capacity building efforts, the OSCE Mission to Bosnia and Herzegovina continued to support the authorities in BiH in streamlining and co-ordinating activities aimed at prevention and prosecution of trafficking in human beings.

**Montenegro – Public-Private Co-operation in the Prevention of Trafficking and Sexual Exploitation of Minors in Travel and Tourism**

As part of its efforts to combat the sexual exploitation of minors, the OSCE Mission in Montenegro continued the implementation of the parallel project “Public-Private Co-operation in the Prevention of Trafficking and Sexual Exploitation of Minors in Travel and Tourism in Albania and Montenegro” under the
OCEEA’s regional Anti-Trafficking Programme. The project aims to make use of the globally recognised Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism as a preventive tool to:

- enhance and streamline the commitment of companies operating in the travel, tourism and hospitality industry to support and join counter-trafficking efforts;
- increase awareness of the general public and in particular of tourists and travellers to, from and within Montenegro; and
- create a national structure to ensure the continued implementation and monitoring of the Code of Conduct after the completion of the project by enhancing human capacities and institutional networks of private and public decision-makers.

Several informational roundtables and training workshops were organised in preparation for the official signing of the Code of Conduct by the Montenegrin tourism industry and other decision-makers. The OSCE Mission in Montenegro played an active role in lobbying industry and securing political commitment from the Ministry of Tourism and the National Anti-Trafficking Co-ordinator’s Office for the project. The Mission’s Economic Unit, in cooperation with its Anti-Trafficking Focal Point, organised a technical training seminar with the government’s special anti-trafficking team members to educate local decision-makers on how to deal with victims of human trafficking and where to turn for assistance.

A national monitoring committee, responsible for the monitoring and continued implementation of the Code of Conduct (CC), was established and during 2007 will elaborate an action plan on how to integrate the Code into the Montenegrin institutional structures.

6.3.1 Awareness Raising in Countries of Destination

The official signing ceremony of the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism took place on 15 September 2006 in the Montenegrin coastal town of Becici. More than 300 representatives of the tourism sector, government and civil society attended the ceremony which resulted in 288 signatories of the globally recognized Code of Conduct.

“Accepting international standards on protection of children, meeting the criteria of the World Tourism Organisation, ensuring good quality services to tourists and preventing our children from being sexually exploited are the main aspirations of the Code’s signatories and will help ensure a sustainable tourism business for Montenegro”, said Milena Raicikovic, Director of the Montenegrin Tourist Association (CTU) and president of the newly established national monitoring committee for the Code of Conduct. The OCEEA, together with the HoM, the Ministry of Tourism and the National Anti-Trafficking Co-ordinator, spoke at the signing ceremony, which was also attended by the project donors, GTZ and the French delegation to the OSCE.

Montenegrin Tourism Industry sets Higher Standards to Prevent Sexual Exploitation of Children

Special Event on Public-Private Partnerships in Combating Labour Exploitation and Trafficking in Human Beings

On 16 November 2006, the OCEEA, in co-operation with the Belgium OSCE Chairmanship, organised a Special Event on Public-Private Partnerships in Combating Labour Exploitation and Trafficking in Human Beings in Vienna, on the margins of the OSCE High-Level Conference on Human Trafficking for Labour Exploitation and Forced and Bonded Labour. The Spe-
cial Event was designed to broaden the thinking and demonstrate the value of government, policy makers and practitioners to engage with the private sector on the issue of trafficking. It was also intended to serve as an opportunity for the business community to provide input on trafficking and labour exploitation matter to government and decision-makers. Despite the good participation at the event (some 80 people) and interesting discussions, there was limited participation from the private sector, underscoring the difficulty of its engagement and cooperation.

Kosovo – Establishment of anti-trafficking mechanisms

In March 2006, OMiK participated in the signing of the Standard Operating Procedure (SOP) aimed at assisting children and adults, who have been victims of human trafficking. The SOP also targets to improve both the rights of victims and their reintegration into society. Following the signing of the SOP, OMiK together with the relevant partner organisations organised five training sessions with the goal of educating service providers (police, social workers, victim advocates and members of civil society) on how to correctly implement these new mechanisms. In order to raise public awareness on the problems of trafficking of human beings from Kosovo, four TV debates were broadcast on the local station RTV 21. In early 2007, OMiK helped to train social workers in anti-trafficking techniques.

In early 2007, OMiK also finalised a National Referral Mechanism (NRM) assessment, examining already existing mechanisms of identification, referral and protection.

6.3.2 Creating Economic Empowerment Opportunities for Vulnerable Groups

Albania – Women’s Economic Empowerment in Albania

The OSCE presence in Albania implemented a joint OEEA-ODIHR project on “Combating Human Trafficking through Economic Empowerment and Protection Measures”. The Economic Dimension component focuses on women’s economic empowerment and sustainability and aims to build institutional capacity in Northern Albania for improving income generation opportunities for vulnerable groups. The Centre for Economic and Business Education (CEBE) was contracted to prepare a policy paper assessing the labour market and employment opportunities for women in the regions of Kuksi, Shkodra and Peshkopia to be followed by a workshop to foster co-operation between private and public sector actors to address the employment and service needs of the local market.

Bosnia and Herzegovina – Local Economic Development

The OSCE Mission partnered with the regional development agency, the local centre for business development, With the aim of putting employers and potential employees in contact, the OSCE Mission to Bosnia and Herzegovina organised Youth Job Information Fairs. The Fairs offered information on vacant positions as well as advice on how to apply for them and jobs in general – writing CVs, job research techniques, behaviour during interviews and other useful tips on finding a job. The Fairs bring together a range of agencies that assist young people to find jobs, including businesses, employment bureaus, regional economic development agencies and municipalities.

Over 2,000 young people have visited the ten Fairs, in which 110 private and public companies participated as exhibitors. As a result, more than 150 young people found employment. 10 Job Information Fairs are planned for 2007.

Bosnia and Herzegovina Youth Employment

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the tourist board and the municipality of Pale to prepare unemployed young people to work in the tourism industry. The project consisted of a one-month intensive English language course and training in IT skills. As a result, 36 successful participants were offered employment in hotels and restaurants of the region.

**Georgia – Youth Business Development**

In 2006, the OSCE Mission to Georgia financed a Youth Business Development Project. The project was intended to increase the business development opportunities among youth in Samtskhe-Javakheti. The aim of the project was to provide students of a local university with theoretical knowledge as well as with a core set of practical skills for successfully running a business. Within the framework of the project, 108 students were selected from the local university and underwent a five-day training course in business planning.

- 154 persons were trained; 103 persons were placed in more sustainable jobs;
- Increased capacity of the Kiev and Kharkiv youth labour centres;
- Development of economic and social models adaptable to other countries.

A second phase of the project is due to commence in 2007, under the responsibility of the OSCE Project Co-ordinator in Ukraine.

The OCEEA will continue to implement anti-trafficking projects in the area of economic empowerment throughout 2007. It also intends to develop closer programmatic linkages issues related to migration.

**6.4 Human Capacity Building**

The OSCE Strategy for the Economic and Environmental Dimension and the OSCE 2004 Economic Forum gave the OSCE a mandate to support activities in the area of human capacity building, education and research in economics for their contribution to economic development and stability.

**6.4.1 Youth Career Initiative**

The OCEEA continued its partnership with the International Business Leaders Forum (IBLF) in support of the Youth Career Initiative which empowers disadvantaged youth through vocational skill training in an operational environment. The Programme engages international hotels, such as the Marriott and Accor hotel chains, to provide a six-month education programme for high school graduates coming from a difficult social background. The employability programme includes rotation among all the departments.

The OCEEA, in co-operation with the OSCE Project Coordinator in Ukraine, completed the implementation of the project “Economic Empowerment of Ukrainian Orphans”, aimed to improve the training and job placement of orphans and strengthen public and NGO support structures to do the same. The project outcomes include:

- Ownership by Ministry of Family, Youth and Sports to replicate the project in other cities and within their budget;
6. Economic Activities

of a five star hotel, and thereby provides practical (and classroom) training in communication skills, information technology, marketing and finance among others. The aim of the initiative is to provide participants with marketable skills to improve their long-term social and economic opportunities in the labour market. Building upon its experience with IBLF and the pilot project in Bucharest at the Marriott Grand Hotel, another co-operative project is being undertaken in Madrid with the Intercontinental and Westin Hotels targeting migrants, Roma and other potentially vulnerable young persons.

**Georgia - “Step Forward”**
In 2006, the OSCE Mission to Georgia financed a training camp for students of economic and business administration as well as for young professionals working in related fields. Up to 30 young people aged 18-25 were selected from different regions of Georgia for a camp lasting ten days. The project included organisation of the outdoor youth camp, incorporating trainings and various outdoor activities. The trainings covered the issues of effective leadership skills, time and stress management, decision-making, problem solving, communication skills, job searching methods and other basic skills of team work and collaboration.

**6.4.2 Economic Education and Research**
The OCEEA-supported project entitled “Central Asian Applied Research Network” (CAARN) implemented by the Eurasia Foundation and the Economics Education and Research Consortium came to a conclusion in September 2006. The aim of CAARN was to increase the capacity of universities in Central Asia to conduct applied economic research useful for local policy-makers and businesses.

**Turkmenistan – Support to SME development**
In May 2006, the OSCE Centre organised a study tour to Lithuania for three teachers from the Union of Entrepreneur’s private School of Entrepreneurship. The group visited similar institutions in Lithuania, and learned

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**Outcomes of the Central Asian Applied Research Network (CAARN) programme**

CAARN created a network of universities and individuals committed to quality improvements in economic research at university level. In particular, CAARN developed partnerships with over 30 leading universities in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, making it one of the widest academic networks in applied economic research in Central Asia. It trained a total of 186 faculty members and supported 74 research projects, implemented by faculty members from 18 cities. The research projects gave the participants concrete, hands-on training in how to conduct quality research, and also opened up opportunities for them for further professional development as researchers and policy analysts.

CAARN successfully facilitated the creation of new university-to-government and university-to-business links which can help sustain quality improvements in the longer term.

A Needs Assessment Report on “Higher Education and Applied Research in Central Asia: Challenges and Opportunities” was produced and can be obtained by interested persons from the OCEEA.
about the experience of SME development in another OSCE participating States in order to contribute to the development of the new school’s curriculum. The Centre also provided furniture and information materials for a business simulation class. To further support SME development, the Centre prepared and published a collection of Turkmenistan legislation related to business development and entrepreneurship.

6.4.3 Building Capacity for Sustainable Development in Central Asia

Responsible economic development, environmental protection and security and public awareness issues were addressed in a two-day module that supplemented the economic summer camp organised by the OSCE Centre in Dushanbe. The additional two-day sustainable development module, organised by the OCEEA, aimed to sensitise students’ to the value of natural resource management. Based on the success of the camp, the OCEEA organised, together with the UNIDO and the Kazakh Business Council for Sustainable Development (KBCSD), training of trainers for this programme in April 2007.

6.5. Roma Activities

The OCEEA in co-operation with OSCE/ODIHR Contact Point for Roma and Sinti Issues (CPRSI) organised a side event entitled “Bringing Social Partners Together in Facilitating Roma Integration into the Labour Market” at the Human Dimension Implementation Meeting in Warsaw on 6 October 2006. Outcomes of the event include development of an extra budgetary project proposal for extending the Youth Career Initiative (YCI) model to the Roma community, possibly in Spain, Bulgaria, Hungary and Slovakia.

Under the OCEEA Anti-Trafficking Programme, the OCEEA contributed to the financing of the Mission to the Bosnian project on ”Roma Social Status Survey” to gather comprehensive and accurate information about the number of Roma living in Bosnia and Herzegovina, their social, economic and legal status. The Council of Roma BiH conducted the survey between January and November 2006; its results were then used to strengthen the case for BiH authorities and the civil society to create policies that would effectively improve the status of the Roma population in Bosnia and Herzegovina.
7. Activities in the Environmental Dimension

7.1 Environment and Security Initiative

The Environment and Security Initiative (ENVSEC) is a partnership of six organisations – the OSCE, the United Nations Environment Programme (UNEP), the UNDP, UNECE and the Regional Environmental Centre for Central and Eastern Europe (REC). NATO has also associated itself to the Initiative. The Initiative aims at providing a framework for co-operation on environmental issues across borders and promoting peace and stability through environmental co-operation and sustainable development.

ENVSEC addresses environmental problems, which pose security risks to communities within and across national borders. The ENVSEC work programmes are designed to tackle conflict prone situations where environmental issues threaten societal stability and peace, human health or sustainable livelihoods. Local ownership and the participatory environment and security risk assessments are the foundation of defining the strategic priorities and implementation of projects within the Initiative. The Initiative’s operational tools are vulnerability assessments and monitoring, capacity building and institutional development.

Thanks to funds provided by Austria, Belgium, Canada, the Czech Republic, Finland, Germany, Hungary, Italy, the Netherlands, Norway, Spain, Sweden, Switzerland and the USA, ENVSEC partners have developed and implemented integrated work programmes in the Central Asian, Southern Caucasus, Eastern and South Eastern Europe regions. In all, over 70 projects stemming from region-specific priorities related to need of further assessments, policy development, institution and capacity building as well as technical cooperation were elaborated for the period 2007-2009.

7.1.1 ENVSEC Highlights from Central Asia

In-depth environmental assessment of environment-security issues in the East Caspian Region.

Consultations and field visits organised by the OSCE and other ENVSEC partners in Ashgabad and Turkmenbashi, Turkmenistan, and Aktau, Kazakhstan, in April 2006, came up with priorities related to the currently rapidly developing oil and gas sectors in the coastal areas and their impact on the local population and their livelihoods. The main objective is to assess the environment-security situation in the Atyrau and Aktau oblasts of Kazakhstan and Balkan Velayat of Turkmenistan and to develop a programme of work towards solution of priority problems. Regional consultations and a launch of the assessment report are scheduled for the first half of 2007.

Assessments of the Amu-Darya River Basin

In 2006, the ENVSEC partners began ground-breaking consultations on environment and security risks in the Amu-Darya river basin, including both Tajikistan and Afghanistan. The ENVSEC Initiative will undertake a detailed assessment of water management and quality situation in the upper Amu-Darya river and identify opportunities for strengthening basin-wide cooperation around common issues. The key goal for the future development of the Amu-Darya basin states is a more efficient use of shared water resources that are increasingly under pressure by rising demands for electrical power generation and irrigation and by potential impacts of climate change.

The first Tajikistan-Afghanistan consultations held in Dushanbe in July 2006 identified a range of issues that need to be addressed. These include the lack of river basin resource management frameworks and poor management practices, trans-boundary water pollution, loss of and threats to shared nature areas, frequent natural disasters and an overall need to increase the monitoring and information exchange capacities. The main activities related to the assessment process of the Amu-Darya river basin are expected to kick off during the first quarter of 2007.
7.1.2 ENVSEC Highlights from South Eastern Europe

Albania – Reducing the Impact of Agriculture in the Prespa Park Region

The project “Reducing the Impact of Agriculture in the Prespa Park Region” established the basis of sustainable co-operation between farmers and service providers in Albania. Based on recommendations of a needs assessment, a team of national experts carried out a series of capacity building trainings with agriculture extension services, agriculture associations and farmers. Extension services and agricultural associations received professional training on association development, networking and dissemination of information, global trends on agricultural marketing, international standards, integrated pests management and environmentally friendly techniques.

7.1.3 ENVSEC Highlights from the South Caucasus

OSCE-led Environmental Assessment Mission to fire-affected territories in and around the Nagorno-Karabakh region in the Southern Caucasus

Among its peace-building efforts in 2006, ENVSEC provided a core contribution to the OSCE-led Environmental Assessment Mission to fire-affected territories in and around the Nagorno-Karabakh region in the Southern Caucasus. During the Mission, local and international wild land fire experts assessed the short- and long-term impacts of the fires on the environment and recommended measures to counteract any detrimental impacts. The Mission recommended a series of joint capacity-building and training activities in fire management, fire prevention and preparedness and fire suppression. It also urged enhanced regional co-operation on both fire and water management issues in the context of relevant regional and international frameworks. In the light of the ongoing conflict, the Mission served as an important confidence-building measure by bringing the parties together on a critical environmental issue.

A fire site in the Nagorno Karabakh region.
7. Activities in the Environmental Dimension

Reducing Trans-boundary Degradation of the Kura-Araks/Araks River Basin

In the framework of the UNDP/GEF project “Reducing Trans-boundary Degradation of the Kura-Araks/Araks River Basin”, the OSCE and other ENVSEC partners supported a complementary project to assess the condition of trans-boundary aquifers in the South Caucasus region. Moreover, ENVSEC continued to support regional workshops gathering representatives from NGOs from the Southern Caucasus countries to share information and provide input into coordinated international water management programmes throughout the region. In June 2006, ENVSEC contributed to a meeting of the NGO Forum for Kura-Araks/Araks river basin that approved a Charter and appointed representatives to participate in the UNDP/GEF Steering Committee.

7.1.4 ENVSEC Highlights from Eastern Europe

One of ENVSEC’s main activities in Eastern Europe throughout 2006 was a regional assessment of environment and security issues. Besides the analytical value that it aims to provide, the assessment process facilitated collaboration between groups of interested agencies and organisations in Belarus, Moldova and Ukraine that are developing mechanisms for national implementation of ENVSEC project activities. Country consultations in May-June 2006 provided useful opportunities for exchanging views on priority problems and possible actions to address them.

After being reviewed by the countries, the assessment will be finalised and is planned to be launched at the OSCE Economic and Environmental Forum in May 2007. Concerns articulated by the countries through the process range from management of shared water basins and other natural resources (the Dniester, Pripyat, Neman-Daugava and Danube basins) to specific risks associated with pollution and waste. These include the widespread consequences of Chernobyl, the need to address environmental aspect of security policies (in particular related to defence activities, the military legacy of the past), environmental management in areas of instability and social stress and overall development of capacities and institutions to address the environment security interface.

7.2 Managing Hazardous Waste

Armenia – Supporting the Government in the Elimination of Rocket Fuel Component (Melange) Stocks

On 12 May 2006, the OSCE Secretary General Marc Perrin de Brichambaut visited Armenia to officially inaugurate the start of the recycling of 872 tons of melange - a highly toxic and volatile rocket fuel component left in Armenia after the disintegration of the Soviet Union. Following a request by Armenia’s Defence Ministry, the OSCE Office in Yerevan initiated a project that would recycle the entire stock of the substance, turning it into an environmentally-friendly low grade fertilizer for agricultural use. As of 1st November 2006, 52 % or 454 tons of Melange stockpiles were processed into 2,165 tons of mineral dressing, sprayed on 647 hectares. Under the framework of the project, recycling of Melange will be completed in August 2007.

OSCE Secretary General Marc Perrin de Brichambaut launching the Rocket Fuel Component Project.

Site of the Rocket Fuel Component Project in Armenia.
Armenia – Mining Assessments in the Kajaran Municipality
The OSCE Office conducted awareness raising activities to disseminate the findings and the recommendations of the study on the environmental impact of the mining and processing industry located in Kajaran city, commissioned by the Office in 2005, in partnership with Kajaran municipality. The Office facilitated public-private partnership between Kajaran municipality and the Zangezur copper-molybdenum group of plants, which developed a set of short term actions and initiated a long-term action programme in order to reduce environmental risks for the region.

Kazakhstan – Decommissioning of Melange
The OSCE is assisting the Government of Kazakhstan in eliminating approximately 1,400 tons of liquid rocket fuel components, by ensuring recycling or disposing of Mélange in an environmentally sound manner. After the completion of the scoping study in Kazakhstan, an international tender process was launched to select a company that could dispose of Mélange stocks in an environmentally sound and cost effective manner. A pre-tender meeting was organised in Almaty and was attended by potential bidders from France, Germany, Kazakhstan, Poland and Russia. As part of the pre-tender meeting the participants visited two sites of Mélange storage - Saryozek and Kapchagay. At the same time, information meetings were organised in Vienna to request donor support, with the participation of several OSCE delegations. As a result of the tender, a qualified company was selected to provide the services related to the elimination of Kazakhstan’s :élangé. Ultimately, the project seeks to curb environmental and safety threats posed by large quantities of Mélange stored in the vicinity of populated areas.

Moldova – Destruction of Pesticides
The OSCE-NATO-led Pesticide Disposal project in Moldova made considerable progress. National capacities for analysing the composition of unidentified pesticides were fully developed and obsolete pesticide repackaging and relocation are under way. The formal inauguration of the Project took place in Chisinau on 7 November 2006 with the participation of the President of Moldova, Mr. Vladimir Voronin. The NATO Science for Peace and Security (SPS) Programme will provide additional analytical equipment that will allow the analysis of pesticide residues in agricultural products, thus contributing to food-chain security. The OSCE supports the work by both soliciting additional support and resources and looking at needs and possibilities to extend the work to the Transdniestrian part of Moldova.

7.3 Water related activities
South-Eastern Europe – Sava River
On management of transboundary waters, further progress was made in development of networks among local actors of the Sava river basin. A workshop organised in Croatia in September 2006 gathered 70 participants from governmental institutions, local municipalities and NGO representatives from Bosnia and Herzegovina, Croatia and Serbia as well as international organisations.
7. Activities in the Environmental Dimension

The workshop focused on the promotion of cooperation on water resource management and information exchange as well as collaboration between the Sava Commission and local actors, as well as among local actors in the Sava river basin. As a result of the workshop, it was proposed that an informal mechanism would be established in order to intensify the flow of information and contacts between local actors.

Central Asia – Chu-Talas
Under the framework of the ENVSEC initiative and with the instrumental role of the OSCE field presence in Kazakhstan, the collaboration between the OSCE, UNECE and UNESCAP saw the completion of the Chu-Talas water management project with the creation of a Bilateral Commission between the Kyrgyz and Kazakh Governments. An important component of this work was the public participation elements built into the process.

With the support from the major donors, Great Britain and Sweden, and with additional support from Estonia, it is worth noting that there were no comparable co-operative projects in Central Asia at the start-up of the project and this co-operation can therefore be seen as a nascent initiative in that direction.

Through establishing the creation of the Bilateral Commission, a long-term, mutually beneficial and co-operative exchange of resources between Kazakhstan and Kyrgyzstan is now in place, promoting regional governance.

Eastern Europe – Dniester
Following the successful collaboration between the OSCE and UNECE on the Dniester river, through the project “Transboundary Cooperation and Sustainable Management of the Dniester River” (Dniester I), both organisations were requested, by the Ukrainian and Moldovan authorities, to facilitate the development of a follow-up project. The project “Action Programme for Improved Joint Management of the Dniester River Basin” (Dniester II) aims at addressing bottlenecks in the transboundary water co-operation, in particular, a narrow scope of co-operation, lack of public participation and limited access to and exchange of information.

The key output of the Dniester II project will be an agreed Action Programme, elaborating on the development of the legal and institutional framework, co-operation on emergency and sanitary-hygienic issues and development of an open joint information system. A list of draft documents being developed in the framework of the project include a Dniester Agreement, a Regulation on public participation in the decision-making relevant to the Dniester river basin, a Regulation on co-operation in the area of the sanitary-hygienic control, a Regulation on management of the joint Dniester website and an Action Plan to develop an information management system for the Dniester river. The documents are being discussed by representatives of state authorities, experts and research institutes in Moldova and Ukraine.

With the support of the Swedish Environmental Protection Agency, the OCEEA and the OSCE Project Co-ordinator in Ukraine will finalise the project during the second half of 2007.

South Caucasus River Monitoring Programme
The joint OSCE/NATO South Caucasus River Monitoring Project completed its fifth year of work, bringing together representatives of the National Academies of Science of Armenia, Azerbaijan and Georgia to conduct co-operative monitoring of the Kura-Aras/Araks River Basin. The fifth year of monitoring activities, carried out regularly at over 40 locations along the Kura-Aras/Araks, measured the occurrence of persistent organic pesticides, heavy metals and radioactivity in the river basin system. In March 2006, OSCE field missions assisted a NATO assessment of the results and potential new areas of co-operation between the countries.

The former Yugoslav Republic of Macedonia – Water-awareness campaign in Tetovo
The aim of this campaign was to ensure environmental security and sustainable development. With its specific mandate in building confidence and trust among citizens and public institutions, the OSCE played a significant role in reducing the causes for potential tensions in the former crisis area and more specifically in the city of Tetovo. Choosing to intervene in addressing the lack of water as an issue affecting the
whole of the city, the OSCE aimed to help the citizens of Tetovo in finding common ground for solving their problems.

As a first immediate outcome of the project, water was used more cautiously and therefore restrictions that are imposed on water usage could be reduced, increasing the quality of life of the people in the city and more relevantly increasing the confidence between the people and the public institutions.

7.4 Promoting Environmental Governance

**Armenia – Supporting eco-journalism**

On 16 February 2006, the OSCE Office co-organised an award presentation ceremony within the framework of a capacity building project for environmental journalists titled "Desertification hot spots in Armenia" announced jointly with the UNDP, the United Nations Communication Group-Armenia and the NGO "Ecolur". Twelve journalists received certificates of participation and encouragement gifts for their special professional attention and materials provided on the desertification issue. The project consisted of three major components – a training programme for journalists from Armenia's provinces, a competition among journalists and an award presenting event – and was aimed at improving professionalism, knowledge and skills of journalists who cover issues related to environmental protection. The initiative also served the goals of the UN International Year of Deserts and Desertification, announced in 2006 and the theme of the OSCE Economic and Environmental Forum "Key Challenges to Ensure Environmental Security and Sustainable Development in the OSCE Area: Land Degradation, Soil Contamination and Water Management".

The capacity building programme for journalists was carried out in the Public Environmental Information (Aarhus) centres of Syunik, Tavush and Lori Regions of Armenia.

**Belarus – Developing new Alternative and Renewable Sources of Energy**

The OSCE Office in Minsk, together with the relevant government authorities, organised a study tour to Sweden, a country with many similarities in climate and natural resources. The tour, a first event in a series of activities, provided first-hand information for government officials on the use of alternative energy, with a special emphasis on biomass.

**Belarus – Implementation of the Kyoto Protocol**

In 2005, Belarus became a party to the Kyoto protocol (Annex B). The Office in Minsk, answering a request for assistance from the Belarusian Ministry of Natural Resources and Environmental Protection, organised a seminar in February 2007. Experts from the Czech Republic and the Russian Federation presented best practices on projects reaching from the mechanisms of joint implementation to the Management of the Carbon register.

**Bosnia and Herzegovina – Local Environmental Action Plans**

Through many of its programmes and projects, the OSCE Mission to Bosnia and Herzegovina seeks to support local authorities and citizens to work in partnership to tackle problems and face challenges within their community. Development of Local Environmental Action Plan or LEAP represents one initiative which provides a basis for such partnership.

For example, in Nevesinje, a municipality in southern Bosnia and Herzegovina, citizens demanded action from municipal authorities to clear illegal waste dumps that had started to damage the livelihoods of farmers. The municipality decided to tackle the problem together with its citizens through LEAP. The Plan was developed in 2006 and 2007. It involved village and community boards, NGOs, media and local authorities. In February 2007, LEAP was adopted. It became a legally binding document, representing an essential part of the municipal strategic development plan.
Kyrgyzstan – Osh Garbage Project
Each year the city of Osh generates 350,000 cubic meters of rubbish. Due to a growing population, the amount of garbage generated is increasing and the general sanitary situation worsening. The OSCE Osh Field Office worked with a local NGO to initiate a garbage separation programme in a pilot area for the city of Osh.

Serbia – Developing Environmental Reporting in Serbia
The OSCE Mission to Serbia recognised a need to support and develop better news coverage about environmental issues in Serbia and the region, leading to greater public participation in the decision-making process of all environmentally related issues.

The idea of this project is to improve the communication between the main decision-makers, namely the government, citizens, non-governmental organizations and business community, by better means of information.

The project also included support to the EcoForum (http://www.eco-forum.org/) aimed at informing the Serbian public at a regular and timely basis on important environmental issues.

Tajikistan – International Youth Ecologic Forum
The OSCE centre in Dushanbe organised the International Youth Ecological Forum, emphasizing best practices in both environmental protection and the prevention of damages to nature.

During the four-day event, 80 young environmental activists and leading environmental scientists from Tajikistan, Kazakhstan, Kyrgyzstan, Moldova, Russia and Uzbekistan seized the opportunity to share experience and expertise. Discussions on how to create mechanisms for better coordinating common efforts in the protection of environment were held.

The Forum was carried out by the non-governmental organisation Kuhiston International Foundation in close co-operation with Tajikistan’s State Committee on Environment and Forestry, the Central Asian Regional Environment Centre and the international organisation CARE.

Tajikistan – Ecological summer camps for young people
Young Tajik environmental activists, called the Green Patrols, were gathered in Kayrakkum (Northern Tajikistan) on 27 July 2006 for the opening of an ecological summer camp, organised by the OSCE Centre in Dushanbe. During the ten-day camp, 60 participants elaborated action plans for the protection of the environment.

The participants also established a National Green Patrols Movement aimed to unify Tajikistan’s young Green Patrols.

“We rely on the assistance of Green Patrols in countering Tajikistan’s main environmental concerns. The future is in your hands,” said Rajabboy Karimov, Head of the State Environmental Protection Department in Sogd Oblast.

Tajikistan – Tree planting in the Khatlon region
The OSCE Centre in Dushanbe organised a campaign aimed at raising awareness about the negative effect of deforestation in the Khatlon region. Trees have been planted in 14 villages in the area of Kurgan-Tube. The overall aim of the project is to mitigate land degradation, erosion, mud and landslides and floods in southern Tajikistan.

Mr. Abduvohid Karimov, the Chairperson of the Tajikistan State Committee on Environment and Forestry, who planted the first tree in Sarband said: “Cutting down the trees has done great damage to the
nature. The OSCE support in promoting people to care for nature and planting trees is much appreciated”.

“Not many people realise that one of the major reasons for landslides, erosion, degradation of land is cutting down trees and bushes, said Mr. Saulius Smalys addressing the participants, I hope the planted trees will serve and protect not only you but future generations as well”.

The nine month project is being implemented by the OSCE Centre in Dushanbe, Kurgan-Tube OSCE Field Office and Kurgan-Tube Youth Ecological Centre.

Tajikistan – Rasht valley workshop
The OSCE Garm Field Office organized a workshop emphasizing on the protection of the environment and the importance of biodiversity. The event was held in the Rasht Valley. Hundreds of locals learned about the negative effects of deforestation.

The OSCE Centre in Dushanbe started to minimise natural disasters through the first phase of the project “Awareness-raising campaign among the population of the Rasht Range on Environmental and Bio-Diversity Protection”. The project was launched in 14 districts and informed the local population on the negative effects of deforestation.

Theoretical and practical sessions were conducted for 150 environmental activists. In order to achieve an immediate and durable impact as well as to add practical components to the training programmes, participants planted trees. Instead of 12,500 trees, which were initially planned for planting, 490,000 conifers and spruces were planted by the local population.

7.5 Environmental Public Awareness

Azerbaijan – Raising Public Environmental Awareness
Within the framework of efforts to enhance public environmental awareness in Azerbaijan, the OSCE Office in Baku supported the publication of monthly environmental supplements in the national Azerbaijani newspaper “Zerkalo”. The supplements highlight challenges, issues and events in the environmental field in Azerbaijan and are aimed at promoting awareness of initiatives and activities undertaken by national authorities and international organisations.

Georgia – Energy efficiency for environmental protection
In 2006, the Economic and Environmental Dimension of the OSCE Mission to Georgia started to work on the issue of energy efficiency. Energy security issues
in the perspective of the economic, social and environmental security have become very important for Georgia. The aim of the first project implemented in this direction was to popularise energy efficiency through youth education and to promote energy consumption behaviour change among consumers. In the framework of this project, classes on this subject were held; an energy efficiency book and a handbook were printed. The participants were taken to the energy distribution company and thermal power plant in Gardabani. In total 36 classes were conducted with the participation of 160 schoolchildren.

**Kyrgyzstan – Environmental Films**

The OSCE Centre in Bishkek produced, in partnership with a local journalist, a series of documentary films to raise awareness about the socio-economic problems caused by uranium tailings in the village of Min Kush in the Naryn province, which was once the site of a thriving uranium mine. In addition other topics such as industrial pollution caused by new investors coming to Kyrgyzstan and the disintegrating waste management system were also addressed. The films were broadcast on local channels and will also appear on CNN.

**Montenegro – Help to Protect our area project**

A series of activities for over 1000 schoolchildren were launched by the OSCE mission in Montenegro in the Podgorica Municipality (Zagoric and Konik). The following activities were organised with the aim of environmental education:

- launching of a public competition in schools
- synchronized cleaning of school yards and surrounding areas
- printing and distribution of propaganda material

All activities were carried out in cooperation with the Podgorica Assembly, the Children’s Alliance of Montenegro, the Public Company for Communal Services from Podgorica and relevant ministries.

**Turkmenistan – Environmental summer camp**

From 10 to 20 August 2006, the OSCE Centre, in cooperation with the municipality of Khazar, organized an environmental summer camp for disadvantaged children. More than thirty children (orphans and children from families with low income) participated in the camp on the Caspian Sea. The children took part in training sessions on environmental issues, as well...
as in practical sessions on the sea shore. The camp also featured arts and crafts classes, sports and quiz competitions. The Centre provided equipment and materials for the summer camp, which were subsequently donated to a children’s sanatorium.

7.5.1 Implementing the Aarhus Convention

The Aarhus Convention

The 1998 Aarhus Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters establishes that sustainable development can be achieved only through the involvement of all relevant circles. By linking government accountability, environmental protection and interactions between the public and public authorities, the Convention values processes for public participation in negotiation and implementation of international environmental agreements.

The OSCE has, since 1999, supported Aarhus and Public Environmental Information Centres in several countries, including Albania, Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Kazakhstan and Tajikistan. These initiatives have been instrumental in providing a forum for government officials from Ministries of Environment to meet with members of environmental NGOs to build co-operative approaches in order to tackle environmental issues.

A regional Aarhus/Public Environment Information Centre manager workshop took place in Tbilisi in September 2006, to take stock on activities and share lessons learnt between OSCE supported Centres. Participation included the Secretariat of the Aarhus Convention and it was recognised that Centres should avoid duplicating, or in worse cases, taking over the role of NGOs in communities. The focus of activities ought to be guided by the provisions of the Convention.

The workshop also noted the weak support to the 3rd pillar of the Convention, Access to Justice, and following a co-ordination meeting at the Aarhus Secretariat in December 2006, OSCE and the Aarhus Secretariat will pilot training for high level judges in 2007.

Albania – Information Centre

The Ministry of Environment of Albania formally opened the Aarhus/Public Environmental Information Centre (PEIC) in Tirana in December 2006. This effort was supported by the OSCE and ENVSEC partners and benefited from exchanging experiences with similar Centres in Armenia and Georgia.

Armenia – Supporting increased capacity and awareness of government and civil society to address environmental issues

The OSCE Office in Yerevan attaches special importance to the implementation of the Aarhus Convention. As a result, the basis for the Convention implementation in Armenia has been enlarged in close co-operation with environmental non-governmental organisations and with the network of Aarhus Centres located in Armenia. Nowadays six Aarhus Centres – in Yerevan, Vanadzor city (Lori region), Idjevan and Dilijan (Tavush region) and Goris and Kapan (Syunik region) are operating in Armenia. While serving to the primary goal of forging stronger links and partnerships between government and civil society, Aarhus Centres became for the majority “resource centres” and shall be significantly strengthened in order to implement the three pillars of the Aarhus Convention: access to information, public participation in environmental decision-making and access to justice. In particular, PEICs strive to enhance citizen-government communication channels through information flows. PEIC provides a neutral venue where the public and civil society can participate in public
hearings on draft legislation on environmental issues, environmental impact assessments and other relevant topics. Finally, PEIC is considered to be a body, which trains and advises the public on their rights, obligations and due legislative processes.

Azerbaijan – Journalist Training
The OSCE Office in Baku, in close co-operation with the Eurasia Media Centre, organised a one week training seminar for twelve Azerbaijani journalists, who volunteered to learn more about the methods, techniques and professional standards of environmental journalism, and about environmental rights and obligations under the three pillars of the Aarhus Convention.

Belarus – Support to Aarhus Centre
The OSCE Office in Minsk maintained its support to the Aarhus Centre. The equipment used in the Centre has been donated by the Office in Minsk. Legal consultations are held at the Centre for citizens. Training sessions on the Aarhus convention are also organised regularly by the Centre.

Georgia – Implementing the Aarhus Convention
The OSCE Mission to Georgia has been active in providing support to Georgia for meeting obligations under the Aarhus Convention. One of the most effective activities has been the establishment of the Aarhus Centre in Tbilisi. The Aarhus Centre was opened as a result of co-operation between the OSCE Mission to Georgia and the Ministry of Environment Protection and Natural Resources of Georgia. The Mission has provided needed financial support while the Ministry has given free office space to the Centre within its premises.

Aarhus Centre in Tbilisi has been very active in collaborating with the governmental and non-governmental and international organisations. A number of meetings, seminars and trainings connected to the Aarhus Convention have been hosted by the Centre for last few months. Also it has been providing free legal consultations on environmental matters to all interested parties. As for providing environmental information, the Centre has developed its web-site and is currently setting up a library with free internet access. Thus, the Tbilisi Aarhus Centre has been working on all three pillars of the Aarhus Convention. It should be noted, that last year has been only the beginning of the Centre’s activities and much effort has been put on the logistical set-up of the Centre. It is planned to work more actively on the above-mentioned topics with the emphasis on the “Access to Justice” pillar.

Kazakhstan – Implementation of the Aarhus Convention
The OSCE Centre continued to support the implementation of the Aarhus Convention and its three pillars. With regard to access to information, the Centre organised awareness-raising events on radiation safety, including regional workshops for local authorities, NGOs and media. A summer camp for youth from the Semipalatinsk region was organised to educate them on radiation safety, rules of behaviour in radiation-contaminated areas and ecological tourism.

The Centre also organised a training session for Kazakh journalists on land degradation, soil contamination and water management. The OSCE Centre intensified its activities in educating on sustainable development. A special attention was given to integrating concepts of sustainable environmental development into Kazakhstan’s educational programmes.

As far as the development of public participation in decision-making process is concerned, the Centre developed a manual explaining how to organise public hearings for different types of decisions in environmental field.

Participants of an awareness raising seminar.
The elaboration of national and regional plans and the assessment of their environment impact were covered in the manual.

Regarding access to justice, the Centre started the first phase (needs assessment) of a project designed to train judges on dealing with environmentally-related cases.

**Serbia - “English-Serbian Dictionary on Alternative Energy”**

The OSCE Mission to Serbia provided financial support to the translation and publishing of an “English-Serbian Dictionary on Alternative Energy”, which presents a sequel to the previously published “Dictionary on Environmental Terminology” and the “Dictionary on Waste Management Terminology”.

**7.6 Environmental Security Strategy**

The Spanish OSCE Chairmanship tasked the OCEEA to develop a first draft of an OSCE Environmental Security Strategy to be submitted to the Economic and Environmental Committee for further discussion.

The OCEEA developed a plan of implementation, hired high level experts who prepared a first background paper, and organised an expert workshop from 25 to 27 March 2007. The workshop gathered over 30 leading environmental experts with the objective of providing a comprehensive view on the current debate on environmental security, as well as a number of concrete proposals for the OSCE. The resulting draft proposal, presented to the Spanish Chairmanship, will help to facilitate the political deliberations among the OSCE participating States.

**Serbia – Developing Environmental Reporting in Serbia**

The OSCE Mission to Serbia recognised the need to support and develop better news coverage about environmental issues in Serbia and the region, leading to greater public participation in the decision-making process of all environmentally related issues.

The idea of this project is to improve the communication between the main decision-makers, namely the government, citizens, non-governmental organisations and the business community, by better means of information.

The project also included support to the EcoForum (http://www.eco-forum.org/) aimed at informing the Serbian public on a regular basis on important environmental issues.
List of Acronyms

ABA-CEELI American Bar Association's Central and East European Legal Initiative
ADB Asian Development Bank
APA Almaty Programme of Action
ATP Anti-Trafficking Programme
COEEA Co-ordinator of OSCE Economic and Environmental Activities
CPC OSCE Conflict Prevention Centre
EATL Euro-Asian Transport Linkages
EBRD European Bank for Reconstruction and Development
EC European Commission
ECMT European Conference of Ministers of Transport
EEC Economic and Environmental Committee
EED Economic and Environmental Dimension
EEO Economic and Environmental Officer
EESC Economic and Environmental Sub-Committee
ENVSEC Environment and Security Initiative
EU CAFAO EU Customs and Fiscal Assistance Office
EurAsEC Euroasian Economic Community
FATF Financial Action Task Force
GPML Global Programme Against Money Laundering
GTZ German Agency for Technical Co-operation
ICMPD International Centre for Migration Policy Development
IDB Islamic Development Bank
ILO International Labour Organization
IOM International Organization for Migration
IRU International Road Transport Union
LRC Local Resource Centre
LSG Local self–governance
MC Ministerial Council
MLA mutual legal assistance
NATO North Atlantic Treaty Organization
OECD Organisation for Economic Co-operation and Development
OHR Office of the High Representative in Bosnia and Herzegovina
OSCE Organization for Security and Co-operation in Europe
SME Small and Medium sized Enterprises
SPAI RSLO Anti-corruption Initiative–Regional Secretariat Liaison Office of the Stability Pact for South Eastern Europe
UNCAC UN Convention against Corruption
UNCTAD United Nations Conference on Trade and Development
UNDP United Nations Development Programme
UNECFA United Nations Economic Commission for Africa
UNECE United Nations Economic Commission for Europe
UNESCAP United Nations Economic and Social Commission for Asia and the Pacific
UNICRI United Nations Interregional Crime and Justice Research Institute
UNIDO United Nations Industrial Development Organisation
UNMIK United Nations Mission in Kosovo
UNODC United Nations Office on Drugs and Crime
UN-OHRLLS United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
WCO World Customs Organization
WTO World Trade Organization
YES Youth Entrepreneurship Seminars

This is not a consensus document.
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