

**Statement by Mr. Thomas Lenk, Head of OSCE and Council of Europe Division,
Federal Foreign Office**

**Session II „*Building economic partnerships
in the OSCE area*“**

**First Preparatory Meeting
of the 25th Economic and Environmental Forum (EEF)**

Dear Ambassador Roger-Lacan,

Excellencies,

distinguished panelists,

Ladies and Gentlemen,

- Let me thank you for this opportunity to speak at this first large event in the second dimension under the Austrian Chairmanship.
- After the end of our Chairmanship, allow me first to say a few words of gratitude and take a quick look back, before exploring the issue of connectivity a little more.
- I would like to express our appreciation to Ambassador Sarybay for taking over the chair of the Economic and Environmental Committee, after the able chairmanship of Ambassador Žugic, to whom we are very grateful for an excellent co-operation in the second committee during our Chairmanship.
- I would also like to thank Dr. Yigitgüden for his excellent work in last years as Co-ordinator of OSCE Economic and Environmental Activities and in particular for a fruitful cooperation during German Chairmanship, as well as congratulate Ambassador Žugic for his appointment as the new Coordinator.
- I say this also because without your dedicated work in the second dimension we would not have been able to reach the good result at the Ministerial Council in Hamburg that we all did, in form of our decision on “Strengthening Good Governance and Promoting Connectivity”.
- We believe these two aspects are very closely interrelated. Good governance - which includes a successful fight against corruption - is a key prerequisite in order to make connectivity work.
- We are therefore confident that this decision is an excellent basis for a more substantial work of the in the second dimension in the coming years.

- As we have underlined during our OSCE Chairmanship last year, we remain convinced that enhanced economic cooperation and partnerships among the OSCE participating states can significantly contribute not only to the well-being of our citizens, but also to trust-building and thus more confidence and security in the whole OSCE area.
- This is why as the 2016 OSCE's Chair, it was our intention to re-emphasize the relevance of the Second Dimension by enhancing its visibility. For the OSCE has for a long time done good work in the second dimension, not least through its field missions.
- What can be done more is to highlight the political significance, which - by the way – should make the OSCE a more attractive partner for many of its participating States, in Central Asia and elsewhere.
- Throughout the year we engaged in the promotion of both themes at various events: during meetings of the Economic and Environmental Forum, at the Economic and Environmental Committee, at the Implementation Meeting as well as at the CiO Business Conference "Connectivity - for Commerce and Investment" in May in Berlin. We are therefore glad for the broad support among OSCE participating States for this approach and for the ensuing adoption of a Ministerial Decision in Hamburg.
- We are especially pleased that the term “connectivity” was incorporated into this decision. The term was introduced to the OSCE for the first time. With this document in hand, we can build on the OSCE's existing commitments in the field of good governance and connectivity-related topics such as transport and trade facilitation as a comprehensive basis. Because there is no need to re-invent the OSCE: Implementation of commitments is key, more so than adding ever new commitments.
- This might be a good moment to repeat what we mean by the term “connectivity” and how we can further make use of it in the OSCE area.
- In fact, the word is an import from Asia – it was used in the ASEAN context. But the concept is much older. Just look at the history of the EU: it started as a connectivity project in the early fifties, with the Schuman plan and the European Community on Coal and Steel. Pooling and regulating these then strategic resources was an economic activity, but it was a deeply political project - to assure peace in Europe.
- To us today, “connectivity” means first and foremost economic cooperation and linkage. Economic connectivity is a key driver for economic development. It could create economic opportunities and contribute to political confidence-building, as I said, bringing back trust, stability and security. It can also lead to more political dialogue both on technical cooperation and on issues with respect to economic integration by focusing on common interests.

One new element we have intended to bring in with this term was the stronger involvement of private business into the OSCE and the EEF cycle throughout last year. We also envisioned sending a positive “message” of „connectivity“ through strengthening the cooperation on transportation with China, Central Asia, the CIS-states and the EU, as well as through improving cooperation in the area of customs and infrastructure. We were happy to see the strong interest and good attendance by participants from China in our conference.

- Throughout the last year we also supported OSCE projects that have further strengthened the spirit of “connectivity” among OSCE participating States. The German Chairmanship supported, for instance, a workshop on “Enhancing Trade Facilitation through the Improvement of Regional Transit in Central Asia”, organized by the OSCE Secretariat together with the World Customs Organization in September 2016 in Astana. Central Asia and the Southern Caucasus in particular have much to gain from improved connectivity. In fact, a better connected Eurasian continent is a positive vision for all of us. We should all work together in this direction. It is our intention to continue supporting projects aiming at strengthening connectivity among OSCE participating States.
- We look forward to participating in the OCEEA and Field Mission’s projects in 2017, to mention OCCEA’s planned engagement in supporting the accession to and implementation of the WTO Trade Facilitation Agreement in selected countries in the region.
- Let me also mention here that the German G20 Presidency 2017 is under the motto “Shaping an interconnected world”. One of our aims is to make progress on realizing the goals of the 2030 Agenda for Sustainable Development and the Paris Agreement on climate change, to strengthen the benefits of globalization and worldwide interconnectedness, and to ensure that more people actually reap the benefits. So we will pursue the connectivity agenda also beyond the OSCE framework.

Excellencies,

- We believe that with all the tools we have at hand, including the Ministerial Decision from Hamburg, we can increase the relevance of the OSCE’s work in the second dimension and create possibilities for deeper regional cooperation and successful partnerships in the OSCE area, and help rebuild trust between participating States.
- Let me finish by saying how pleased we are to see that the Austrian Chairmanship intends to keep second dimension and “connectivity” high on its agenda, including through organizing the Business Conference “Partnership and Innovation for Sustainable Economies” this Wednesday here in Vienna. Let us all together use this momentum that we have created in order to make the best use of the OSCE’s Second Dimension.

Thank you very much.