

Bulgarian Chairmanship

**5th DAY OF THE TWELFTH MEETING OF THE
ECONOMIC FORUM**

Special session on integration processes in the OSCE region

1. Date: Friday, 4 June 2004

Opened: 9.40 a.m.
Suspended: 11.05 a.m.
Resumed: 11.35 a.m.
Closed: 1 p.m.

2. Chairperson: Mr. I. Naydenov

3. Subjects discussed — Statements — Decisions:

Agenda item 8: INTEGRATION PROCESSES IN THE OSCE REGION

Reports by: Centre for European Studies of the Institute of World Economy and International Relations (Russian Federation) (EF.NGO/37/04), European Bank for Reconstruction and Development, European Commission's General Enlargement Directorate, Economic Group of the Institute of World Economy and Policy (Kazakhstan) (EF.DEL/1/04)

Croatia (EF.DEL/45/04), Georgia (also on behalf of Azerbaijan, Moldova and Ukraine) (EF.DEL/23/04), Russian Federation (EF.DEL/49/04), Ireland-European Union (European Commission), Switzerland (EF.DEL/47/04/Corr.1), Kazakhstan (EF.DEL/46/04), Belarus (EF.DEL/50/04), Co-ordinator of the OSCE Economic and Environmental Activities, Serbia and Montenegro, Albania, Tajikistan

Contribution by: Black Sea Economic Co-operation

Fifth Plenary Meeting

1. Date: Friday, 4 June 2004

Opened: 3.05 p.m.

Closed: 4.10 p.m.

2. Chairperson: Mr. I. Naydenov

3. Subjects discussed — Statements — Decisions:

Agenda item 9: CLOSING PLENARY SESSION (open to the press)

(a) **RAPORTEURS' REPORTS ON THE IMPLEMENTATION REVIEW SESSION, THE WORKING SESSIONS AND THE SPECIAL SESSION**

Rapporteur of the implementation review session (EF.GAL/26/04 OSCE+), Rapporteur of the session on partnership with the business community for institutional and human capacity-building (EF.GAL/22/04 OSCE+), Rapporteur of Working Group A (EF.GAL/23/04 OSCE+), Rapporteur of Working Group B (EF.GAL/24/04 OSCE+), Rapporteur of Working Group C (EF.GAL/25/04 OSCE+), Rapporteur of the special session on integration processes in the OSCE region

(b) **CLOSING REMARKS BY THE CO-ORDINATOR OF OSCE ECONOMIC AND ENVIRONMENTAL ACTIVITIES**

Co-ordinator of OSCE Economic and Environmental Activities

(c) **CONCLUDING REMARKS BY THE CHAIRPERSON OF THE ECONOMIC FORUM**

The Chairperson read out his concluding remarks on the Meeting, which are annexed to the Journal.

The Chairperson formally closed the Twelfth Meeting of the Economic Forum.

4. Next meeting of the Economic Forum:

2005

Chair: Slovenia



**Organization for Security and Co-operation in Europe
Economic Forum (Senior Council)**

12-EF(SC).JOUR/5
4 June 2004
Annex

Original: ENGLISH

5th Day of the Twelfth Meeting
12-EF(SC) Journal No. 5, Agenda item 9(c)

CONCLUDING REMARKS BY THE CHAIRPERSON OF THE ECONOMIC FORUM

Ladies and Gentlemen,

After five days of debates, allow me to share with you some thoughts regarding the areas of activities and the actions needed in order to further pursue our common goals of building security, stability and prosperity, on the basis of recommendations stemming from this Economic Forum.

We must continue to work with the constant intention of achieving practical results. The Economic and Environmental Sub-Committee has an important task in assuring the follow-up of our deliberations. As a next step, in accordance with its Decision No. 602, the Permanent Council will further consider the conclusions of the Forum in its discussions of future activities of the economic and environmental dimension in order to take the decisions required. A great number of responsibilities lies with the Office of the Co-ordinator of OSCE Economic and Environmental Activities (OCEEA).

The issues on the Forum's agenda — SME development, investment, education, human capital and institutional development — are important elements of the OSCE Strategy Document. It is up to the national Governments to give life and consistency to their commitments by, among other things, formulating specific requests and projects to be supported by the OSCE. The Organization should work with interested governments, and provide and mobilize advice and expertise to develop incentives for SMEs, and foreign and domestic investment, not least by improving the legal and institutional framework.

The Forum made a contribution to the identification of needs and gaps, and of instruments at our disposal. It clearly demonstrated that the OSCE has a role in promoting institutional and human capital development. The discussions at the Forum and the diversified participation are also a proof that the OSCE is not alone in this process.

In particular I want to emphasize the important contribution of the private sector to our debates. International conventions, national legislation and efforts on education, training, economic empowerment, local capacity building do not suffice if the private sector is not also actively involved. The OSCE can engage strongly in promoting the principles of the United Nations Global Compact. The promotion of corporate social responsibility, exchange of best practices, and increased dialogue and co-operation between governments and the

private sector will be beneficial for all. If these things are promoted, it will be possible to envisage developing and implementing programmes such as LiveWire or Green Pack. The private sector can contribute to and support activities developed by the OSCE. And last but not least, the OSCE can and should support, at all levels, the dialogue between governmental agencies and the business community, and private-public partnership initiatives, with a view to strengthening institutional and human capacity.

Stability and economic development can be enhanced by creating suitable institutions and implementing the right policies at all levels. Institutional change, policy reform, and the improvement of good governance should not be confined to macro-level measures. A positive example of this is the OSCE work with communities, as in Serbia and Montenegro with the city of Nis, to develop local or municipal strategies for sustainable development addressing the specific needs of the communities in question. I believe that the OSCE has a role to play in this regard. Our presence in the field is important for that purpose.

The OSCE has a distinctive role to play in targeting disadvantaged communities, areas, and minorities for entrepreneurial training. And the OSCE has experience in those areas, as numerous such activities have been developed and successfully implemented. Nevertheless, there is still need for action and for more programmatic approaches. Economic empowerment activities and direct support for areas in need should be complemented by initiatives aiming at the development of business associations and support organizations, such as chambers of commerce. The example of an OSCE activity in Armenia supporting the development of chambers of commerce provides a good model in this regard, and further activities of that kind should be envisaged.

Again and again corruption was mentioned as a serious problem. That is why good governance should remain high on our agenda.

Part of the discussions over the last days focused on tourism and its importance for both economic growth and sustainable development. In this connection, co-operation with the World Tourism Organization and other partners should be sought.

The Platform for Co-operative Security constitutes the basis of our co-operation with other partner organizations. The enhancement of OSCE's activities should be assured by means of the development of closer contacts between the OSCE and major international, regional economic and financial organizations and institutions, avoiding duplication of existing instruments and activities. To give only one example, I believe that that co-operation between the OSCE and the International Network for SMEs should be continued, and co-operation with the OECD, in the framework of the OECD Bologna process, should be further developed. I wish to take this opportunity to mention that during our Forum we for the first time established a video-link with the Business Symposium held back-to-back with the Second OECD Ministerial Conference on SMEs in Istanbul. Further consideration should be given to the modalities that will ensure the possibility of similar on-line dialogue when such events coincide.

The Special Session on integration was devoted to consideration of integration processes and possible implications for the OSCE. We share the view that greater role and specific emphasis of the OSCE activities in the economic and environmental dimension should be attached to the sub-regions that are not fully involved in integration processes.

As you know, the Bulgarian Chairmanship made education one of its main priorities. I believe the Economic Forum contributed significantly to the understanding of the importance of the issue as well as to identifying some potential areas of involvement for the OSCE. The OSCE could facilitate the reform process and assist local governments in this process by providing a forum where best practices could be shared and information and knowledge exchanged between the Participating States. The OSCE could also play a vital role in promoting trans-border collaboration and networking among researchers in economic disciplines as well as promoting closer links between economic education and research, and the needs of the labour market. Facilitating mobility and regional and international co-operation among educational institutions, academic exchanges, quality evaluation systems could also be envisaged. I encourage the OCEEA to step up its efforts in this regard and develop a programmatic approach to be presented to the participating States.

The United Nations Economic Commission for Europe has traditionally been a key partner of the OSCE. We have very much appreciated their contribution to the review session this year, focusing on investment climate. The Chairmanship values the co-operation with the UNECE highly and expresses its hope that a Memorandum of Understanding between the OSCE and the Commission will soon be concluded. The OSCE should as well develop closer co-operation with international organizations, financial institutions, civil society and academics in assisting participating States in implementing and reviewing their commitments.

I also want to mention the three successful side events.

The side event on promoting entrepreneurship and economic development for Roma and Sinti stressed the necessity of specially tailored policies for these minorities and led to the conclusion that the OSCE could provide the framework for linking related initiatives. The OSCE YES Programme and the Fair Employment Programme can be tailored to serve the needs of Roma communities.

For the first time a side event took place on the margins of the Forum with the Mediterranean Partners. Discussions focused on human capital resource development. It was broadly agreed that follow-up to explore further co-operation would take place in, inter alia, the Mediterranean Contact Group.

With regard to the anti-trafficking side event, a follow-up to last year's Forum, I want to stress once again the Chairmanship's support for OSCE activities in this area. I want to thank in particular the delegations who made voluntary contributions for the Anti-Trafficking Programme and express the Chairmanship's appreciation for their support.

Ladies and Gentlemen,

It is the understanding of the Chair that there is a wide support, even consensus, regarding the theme proposed by the incoming Slovenian Chairmanship for the Thirteenth OSCE Economic Forum – "Demographic Trends, Migration and Integrating Persons belonging to National Minorities: Ensuring Security and Sustainable Development in the OSCE Area". A final decision on the theme and other modalities will be taken by the

Permanent Council in the next weeks. It shall allow the next Forum to be thoroughly prepared by, inter alia, preparatory seminars.

We noted with satisfaction the active presence of the representatives of a large number of international organizations and institutions. The participation of the civil society, academic, scientific and business community was also highly appreciated and extremely valuable. Let us express our gratitude for the presence of the Mediterranean and Asian Partners for Co-operation and thank them for their contribution.

Meanwhile it is worth drawing our attention to the fact that the level of participation of representatives from some OSCE participating States which in recent years have become focus of more substantial and diversified OSCE assistance in the economic and environmental dimension, was below our expectations.

Let me finally express profound gratitude to the Czech Government for its warm hospitality during our stay in Prague.

Allow me to express appreciation of the tireless efforts of the Office of the Co-ordinator of OSCE Economic and Environmental Activities and personally of Mr. Marcin Świącicki for the preparation, excellent organization and smooth conduct of the event. I would also like to note how grateful we are to the moderators, rapporteurs and other participants for their contribution. My special words of thanks go to the organizers, the interpreters, and the members of the logistic team who did their respective jobs so admirably.

Finally, I would like to thank all the participants who contributed to the discussions of the last few days.

Thank you for your attention.