

« Review of the implementation of the OSCE Commitments in the economic and environmental dimension focusing on the investment climate »

Mr. Chairman,

1. We are pleased to observe the economic progress in many countries and regions of the OSCE area, in particular with regard to macroeconomic stability policies. The EU membership perspective has constituted or constitutes a decisive incentive to implement sound macroeconomic policies for many countries. However, we are concerned about the differences across the countries with regard to flows of FDI and the size of informal markets. The high degree of isolation, poverty and high unemployment in some regions are real threats to security. Considering the importance of FDI to foster economic growth, technology transfers, international trade integration, human and physical capital, we are convinced that for the economies in transition carrying on with the process of reforms will create the necessary favourable conditions for a sustainable development. Furthermore, we do believe that membership to multilateral organisations and implementation of internationally recognised guidelines and legislation relevant to investment climate will foster the attractiveness of economies in transitions to foreign investments. Switzerland supports the efforts going into this direction.
2. There is an ongoing process of reforms in Switzerland too. Switzerland being a small-medium and open oriented economy, the Government policy gives a high priority to ensure a transparent, predictable and attractive investment climate. In recent years, a particular attention has been given to improve the business environment for SMEs activities with the intention to facilitate the creation and the financing of enterprises, reduce regulatory barriers, introduce electronic transactions with the authorities, promote the innovation.
3. After a protracted period of weak growth, in the medium term, the main challenge for the Swiss economy is to increase the potential growth. To do so, pro-competitive reforms have been undertaken or are envisaged in different sectors. The most important is the recent revision of the cartel law to strengthen competition policy.
4. With regard to the draft methodology of the review of OSCE Commitments in the Economic and Environmental dimension, we support the full implication of the UNECE in this exercise. In this respect, we welcome the upcoming signature of the MoU institutionalising the cooperation between the UNECE and the OSCE. The new strategy document addresses new challenges to security and there is a real need to improve the methodology of the review of the commitments. Considering the limited resources and the increasing number of commitments to

review, we support, in the future, this year's approach focusing the review on a specific topic related to the theme of the Economic Forum.

5. Considering the high expertise and analytical capacity of the UNECE, we do believe that a joint UNECE/OSCE early warning mechanism in the economic and environmental dimension is an interesting project. However, we are of the opinion that this idea should be developed with the full involvement of the OSCE field's missions.

Thank you, Mr Chairman.