



## **STATEMENT**

**by OSCE Chairman-in-Office Minister Karel De Gucht  
at the 14<sup>th</sup> OSCE Economic Forum Opening Session**

Excellencies,

Ladies and Gentlemen,

Welcome to the opening session of the 14<sup>th</sup> Meeting of the Economic Forum. Allow me first of all to thank our host and my colleague Cyril Svoboda for his generous hospitality and that of his country. It's a joy to be in Prague in springtime. We could not have found a better place for a fruitful meeting. My thanks goes also to OSCE Secretary General, Mr. Marc Perrin de Brichambaut and to Mr. Bernard Snoy, OSCE Co-ordinator of Economic and Environmental Activities and to their team for accomplishing a great job in preparing and organizing this meeting.

It's gratifying to welcome such a large number of high-level decision-makers from participating States and from our partner countries and partner international organizations. I would also like to address a special word of welcome to the heads and officers of the OSCE field missions. During my visits to the countries of the region, I've been able to appreciate the valuable work you are doing, sometimes in difficult circumstances.

Ladies and Gentlemen,

From the very outset, one of the key objectives of the Belgian Chairmanship has been to bring about a greater balance between the three dimensions of the OSCE's comprehensive approach of security. The economic and environmental dimension is part of that comprehensive approach but has received less attention than the other dimensions. The Belgian Chairmanship wants to give a new impetus and more substance to OSCE cooperation in this field. We believe that there can be no lasting security and stability without economic development, as there can be no stability and security without effective democratic rule and respect for human rights and fundamental freedoms.

For years after 1975, the Economic and Environmental Dimension of our organization was running idle because of the incompatibility of opposing economic systems. In today's globalized world, our economies have started to open up and to interconnect, creating more wealth through new opportunities for free trade. We should try to seize these opportunities and do more in addressing the economic challenges that we all face.

Economic cooperation presuppose viable, secure and effective, cross regional transportation networks. They are at the core of economic development. They are about the physical movements of goods and services, about the supply in raw materials and energy to our factories, and of finished products to markets. "Open a road and trade will hatch", they say.

Conflicts and tensions between and within nations have often to do with impediments to trade and transportation. On the other hand, economic cooperation and integration contribute to regional stability and security. It is the logic and the mechanisms of such economic cooperation that we want and we should further develop within the OSCE area. It develops in other areas. We should give it a greater push in the OSCE region. Our meeting of today and tomorrow is an important step in this regard.

Transportation is not a new subject for OSCE attention and action. In fact our work is building on the Maastricht Strategy Document, adopted already in 2003.

The objective is certainly not and can not be that the OSCE will actually start building real bridges and roads or that it will be involved in financing or developing such projects. That is not its mandate. That is not its role. Neither should or can the OSCE engage in activities that are already taken care of by other international organizations or try to duplicate their work. That is neither desirable nor possible. But the OSCE can build bridges between policy makers and help to develop the basis and a roadmap for dialogue and cooperation between our countries in the economic field. It offers a forum where all participating states can exchange ideas and opinions on how to address existing challenges and to identify opportunities for cooperation that will further regional development.

That is our task today and tomorrow. The ideas and proposals resulting from our discussions may inspire and stimulate national authorities of our countries and other stakeholders. We have advanced already a great deal on the road that we had set out. Two preparatory meetings – in

Dushanbe and Baku – and the first meeting of the Economic Forum in Vienna on co-operation in the economic field have produced a considerable set of ideas, proposals and suggestions. As Chairman-in-Office I would like to thank all participating States, institutions and partners for their active and constructive contribution in this process.

The “outcome paper” presented as a basis for the discussions at our meeting here in Prague identifies the key issues of particular relevance for the OSCE in the transportation field:

- implementation of relevant international conventions;
- promoting good governance in the area of transport;
- addressing the needs of landlocked countries,
- enhancing transport security and
- contributing to conflict resolution.

Allow me to say a few words on these issues and on the way ahead.

First, with regard to the international conventions, we work closely with the UN Economic Commission for Europe (UNECE), based on the Memorandum of Understanding of 2004. We want to encourage OSCE States to implement the UNECE legal instruments in field of transportation and to provide them with capacity building assistance in this respect. A joint UNECE - OSCE voluntary pilot project on the implementation of the UNECE Convention of 1982 on Harmonization of the Border Controls for Goods is proposed to be implemented this year. Other similar projects may follow if this project proves to be successful.

Good public and corporate governance is essential for sound economic development, also in the transportation sector. Cornerstones of good governance are transparency in public affairs and the elimination of all

forms of corruption. Furthermore, the establishment of a clear legal and institutional framework is of utmost importance for the development of business and so is close dialogue between the governmental level and the business community.

One instrument developed by the OSCE to which I would like to draw your attention is the “Guide on Best Conditions for Enhancing the Business and Investment Climate”. It will be a valuable tool to assist the OSCE countries in their efforts to improve business climate and promote domestic and foreign investment. The guide will be presented at a special events in the framework of this 14<sup>th</sup> Economic Forum.

Another special event in the framework of this Economic Forum will be the launching of the “Handbook on Establishing Effective Labor Migration Policies in Countries of Origin and Destination”. The objective of this handbook is to assist States in their efforts to develop policy solutions and approaches for better management of labor migration in countries of both origin and destination.

Both events show that the OSCE is more than only an organization of declarations and intentions.

Public-private partnership is another key element in the promotion of good governance. I found the suggestion made by the private sector representatives at the Baku Conference to set up regional Round Tables with the business community on trade facilitation to be a very useful one and I hope that we can start organizing these round tables already this year. We should include also other stakeholders, such as the relevant international and regional organizations.

I welcome the increased co-operation with the World Customs Organization in order to examine how the OSCE can encourage states to comply with the WCO Framework of Standards to secure and facilitate global trade. Uniformity and predictability to the conduct of trade and ensuring security and facilitation for goods at the border are important for furthering regional economic development.

There are many landlocked countries in the OSCE area. They face specific challenges for their development related to the lack of access to the sea, dependence on transit services of their neighbours, remoteness from international markets and high transit costs. We want their concern to remain high on the international agenda. That is why we propose that the OSCE supports the implementation of the United Nations Almaty Action Program for Landlocked Countries. The elaboration of a roadmap in this regard, with special emphasis on trans-Asian and Eurasian transit transportation may be helpful.

The Baku Conference on transport security clearly indicated the need for better co-ordination and exchange of information with regard to transport security issues and standards. The proposal for the OSCE to organise a yearly stocktaking meeting on transport security is a good one. It should include all relevant stakeholders. We should also continue our excellent work in enhancing the security of container transport. I welcome the proposal by the office of the Co-ordinator of Economic and environmental Activities to organise joint seminars on maritime transportation issues.

The outcome paper also includes a number of proposals for OSCE involvement with regard to the links between transport development and conflict settlement processes, which I want to support. In this respect, I would like to recall the Economic Needs Assessment Study that has successfully been carried out in Georgia-South Ossetia, supported and appreciated by all parties. The study resulted in a list of project proposals, also in the field of transport infrastructure, that could further economic development of the region, benefit to its people and raise confidence among parties. On the basis of these positive results, the Chairman-in-Office, is organizing a pledging conference in Brussels on June 14<sup>th</sup> to raise sufficient funding in order to implement these projects and further the peace process. It is an interesting model which could be useful in other conflict areas in the OSCE region.

Excellencies,

Ladies and gentlemen,

The Belgian Chairmanship in Office is committed to increasing co-operation and dialogue in the OSCE region on transportation issues and economic development, during its presidency and beyond. It is looking forward to a strong, interactive and productive debate today and tomorrow. The outcome paper that has been prepared is an open invitation to such a debate. It includes many interesting and useful proposals. I would like to invite you to support their implementation and to reinforce our co-operation.

The OSCE is not an organization for short-term views or quick fixes. The challenges to stability and security are often systemic and sometimes

deeply rooted in our societies and in our history. They ask for sustainable and long-term answers. The work in the field of transportation is only starting. Much more can and should be done. We wanted to give a new impetus and a new focus to that work. We wanted to put in motion a process of increased cooperation in the transport and economic field. Let us lay the foundations for a sustained and forceful OSCE action in this area. It is not a matter of resources but of political will.

Thank you for your attention.