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Office of the Co-ordinator of OSCE Economic and Environmental Activities

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Background Paper

The Office of the Co-ordinator of OSCE Economic and Environmental Activities (OCEEA) and its involvement in matters related to the theme of the 18th Economic and Environmental Forum

In accordance with Decision No. 898 of the Permanent Council, of 30 July 2009, the theme of the 18th Economic and Environmental Forum will be "*Promoting good governance at border crossings, improving the security of land transportation and facilitating international transport by road and rail in the OSCE region*".

The OSCE's involvement in transport-related matters goes back to the adoption of the Helsinki Final Act (1975), the Bonn Document (1990), etc.. Furthermore, the decision on the next year's Forum theme relies on the Maastricht Strategy Document for the Economic and Environmental Dimension (2003), the OSCE Border Security and Management Concept, the Ministerial Council (MC) Decision No. 11/06 on Future Transport Dialogue in the OSCE and the Ministerial Council Decision No. 9/08 on Follow-up to the 16th OSCE Economic and Environmental Forum.

At its turn, the OCEEA has been actively working on these issues, in particular since the 14th OSCE Economic and Environmental Forum in 2006. To date, the main focus has been on transport and border crossing facilitation. Some activities also touched upon the link with security as well as environmental concerns.

1 Transport and border crossing facilitation

As transport and border crossing comprise a wide range of aspects, the approach taken has been based on multiple pillars, i.e. the implementation of relevant regulatory documents, the promotion of good governance, transit transportation development, regional co-operation, public-private dialogue and co-operation and the need to involve the private sector as an equal partner, the fostering of cross-border trade, etc.. A number of awareness raising as well as capacity building activities were implemented.

Promoting international legal instruments

As a direct follow-up to the 14th OSCE Economic Forum, the OCEEA, jointly with the United Nations Economic Commission for Europe (UNECE), organised in the fall of 2006, in Belgrade and Moscow, two seminars on the implementation of the **UNECE International Convention on the Harmonization of Frontier Control of Goods** with **regional focuses** on South Eastern and Eastern Europe and the South Caucasus and Central Asia. Participants in

the two meetings discussed economic and governance issues related to efficient border crossing procedures (the high economic costs of non-physical barriers to trade and transport, the need to reduce border crossing delays, harmonisation of border and customs formalities, cross-border co-operation measures, etc.) and focussed on how to improve the implementation of the aforementioned "Harmonization Convention". Participants were also introduced to the **World Customs Organization (WCO) revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures** which has a similar substantial scope.

As the feedback received from the participants was positive, and the need for additional capacity building was expressed, the OCEEA in close cooperation with the UNECE Transport Division followed up to these seminars by focusing on offering national, tailormade technical assistance seminars. In this regard, a "National Seminar on Improving the Implementation of International Legal Instruments to Facilitate Cross-border Trade and Transport Operations" took place in Astana in March 2009. Requests for similar activities have been received from other countries and are currently under preparation.

Good governance and anti corruption

While promoting efficient co-ordination and co-operation at national level and across borders, in order to enhance economic development, was from the very beginning one of the OCEEA objectives, particular attention has also been paid to **promoting good governance practices and fighting corruption at border crossings**. In May 2007, in Tbilisi, the OCEEA in co-operation with the Eurasia Foundation organised a regional conference on "Good Governance in Customs: Lessons to be learned from South Caucasus". Another similar event, also of a regional scope, took place in July 2007 in Almaty (Kazakhstan). Both meetings aimed at identifying issues of bilateral/regional concern in the area of customs and at developing recommendations for improving procedures that could help enhance trade and transportation. Participants exchanged experiences, identified specific gaps and needs and discussed ways to improve co-ordination and co-operative efforts at various levels.

Another practical activity around the issue of border crossing facilitation, with a particularly strong focus on good governance took place in May of this year in Astana – were a **national seminar** on "Strategic Anti-corruption Methods in the Customs Field: Sharing International Best Practices" was instrumental in enhancing the capacity of national authorities to further improve and implement their existing strategy.

Best practices at border crossings

The year 2008 marked the beginning of a joint OCEEA-UNECE project which merges and adds together accumulated experience of the two organisations and international experts in the fields of transport and border crossing facilitation. The main purpose of the **"Handbook of Best Practices at Border Crossings"** is to assist OSCE participating States, particularly landlocked developing countries with limited access to world markets, in developing more efficient border, transit transport and customs policies. The Handbook is expected to become a reference document for national policy-makers, senior customs, transport and border guard/police officials. In addition, the OSCE-UNECE Handbook will also be made accessible to representatives of transport agencies, the business community, civil society and academia. The publication will focus on border crossing points along roads and railways and at sea and airports.

The OCEEA held, in October 2008, two **regional preparatory stakeholders' meetings** bringing together relevant customs, border guard/police and transport officials: one in Minsk (for Eastern and Central Europe) and one in Bishkek (for Central Asia and South Caucasus). The valuable input received during these meetings will find its way into the final publication which is expected to be **officially launched (both in English and Russian) by the beginning of 2010.**

Transit transportation and the needs of landlocked developing countries

The Brussels Ministerial Council Decision on Future Transport Dialogue in the OSCE (No. 11/06) notes, *inter alia*, that **landlocked developing countries** (LLDCs) 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 acknowledges that addressing these challenges 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 region.

In that regard, the OCEEA has developed 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.

As well, as tasked by the above mentioned Ministerial Decision, a high-level OSCE conference on **"Prospects for the development of trans-Asian and Eurasian transit transportation through Central Asia till the year 2015"** was organised in October 2007 in Dushanbe. At the end of the Conference a joint "Dushanbe Declaration" was adopted by a number of Delegations. The document was instrumental in identifying key issues related to fundamental transit transport policies, transport infrastructure, trade, transit and transport facilitation, public-private partnership, etc.. Participants also noted that landlocked developing countries in Central Asia have made progress with regard to implementing the APA, but that the road to the full implementation of the plan was still long and required enhanced commitments and improved regional co-ordination efforts in the transport and customs sectors. In this regard, the OSCE's role as a vector for enhanced regional co-operation was recognised and welcomed.

Other examples of OCEEA involvement in promoting regional co-operation on transit transportation matters include a round table, organized jointly with the Transport Division of the UNECE and the International Road Transport Union (IRU), on "Border crossing facilitation and the facilitation of cross-border trade between the CIS and the EU" held in December 2007 in Kyiv, as well as a recent seminar on "Strengthening Co-operation at Railway Border Crossings in Central Asia, which took place in the beginning of July of this year in Balkanabat (Turkmenistan).

2. Transport security

The OCEEA's transport security activities, so far, mainly dealt with maritime issues.

In the fall of 2006, as a follow-up to the 14th Economic Forum, the OCEEA together with the relevant departments at the International Labour Office (ILO) and the International Maritime Organization (IMO), organised a **training workshop on security in ports** in Antwerp (Belgium). In the course of the seminar participants learned about the "ILO/IMO Code of **Practice on Security in Ports**" and its link with other international conventions, and became acquainted with the concepts, principles and 'best practices' of port security. In addition they were introduced to the institutional and organizational arrangements necessary for their implementation.

In June 2008, a Conference organised in Odesa (Ukraine) in follow-up to the 16th Economic and Environmental Forum, also dealt, among others, with maritime transport security related aspects.

3. <u>Transport and the environment</u>

In light of the increased Euro-Asian trade and new transport routes, concerns about potential impact on the environment were raised and caught the attention of the OCEEA. In the course of a workshop which was held in Tonsberg (Norway) in October 2006, participants exchanged views about ways to reduce negative effects of transport on the environment and security, in particular along the North East West Corridor, the Northern Sea Route and the Intergovernmental (IGC) TRACECA corridor.

In addition, the transport of dangerous goods and hazardous substances is also in the focus of OCEEA activities. The 2008 report on the review of the implementation of OSCE commitments in the economic and environmental dimension, prepared by the UNECE for the 2008 Economic and Environmental Forum concentrated on the transport of dangerous goods.

Following the Ministerial Council Decision on Future Transport Dialogue in the OSCE 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 regarding increased co-operation on the issue of hazardous waste. A project on training for enforcement agencies to prevent the illegal traffic of hazardous waste in Ukraine and Belarus was completed in 2009 and a follow up project is being prepared.

In the course of the 18th Economic and Environmental Forum process, the OCEEA will continue to provide assistance to the participating States towards identifying the most relevant issues for debate and action. It will strive to further streamline and increase the effectiveness of its involvement in dealing with the matters under discussion. It will strengthen its ties and co-operation with other stakeholders – international and regional organizations, national institutions and the private sector.