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Organization for Security and Co-operation in Europe

The Secretariat

**Department for
Chairman-in-Office Support**

Vienna, 14 November 1996

To: All OSCE Delegations in Vienna

Re: Summary of the Roundtable Conference on "The European Security Model: the View of Representatives of Private Business" hosted by the International Vienna Council, 30 October 1996 - corrected reissue

Ref: REF.SC/115/96/Rev.1 para. 6 and 7

**SUMMARY OF THE ROUNDTABLE CONFERENCE:
"THE EUROPEAN SECURITY MODEL:
THE VIEW OF REPRESENTATIVES OF PRIVATE BUSINESS"**

A meeting on expert level was held on October 30, 1996 in Vienna with 59 individual businessmen and women from twenty countries, representing enterprises and official and private institutions. Observers from diplomatic delegations to the OSCE also attended.

The meeting was opened by the Vice Chairman of the International Vienna Council, Dr. Georg Zimmer-Lehmann, who welcomed the participants and defined the goal of the meeting. This was to decide on the details in preparation for establishing the "European Business Council, as envisaged in the "Declaration of Principles" announced at the 4th Economic Forum of the OSCE in Prague on March 29, 1996. He asked Mr. Valdimir Maroutschenko, Director General of Security Services of Gazprom, Moscow and Vice Chairman of the Board of the Council for Business Security in Russia to chair the meeting. Mr. Maroutschenko took the chair and emphasized the importance of the meeting for the development and enlargement of the security model in Europe.

The first speaker, Mr. Stefan Lewandowski, entrepreneur and President of the Foreign Investors Chamber of Poland, underlined the extreme danger arising from the different levels of security in the CEEC countries. These differences hampered the development of freedom, democracy, society and above all, free enterprise opportunities for businessmen. He cited personal experiences and the need for an NGO of businessmen, where practical experiences could be exchanged and formulated for the attention of governments, authorities, and the OSCE. The main arguments were that security and stability must be sought at all levels to achieve stability in the economy of a country in transition, from personal security up to security of the banking system.

The second speaker, Mr. Stanislav Samykin, Chairman of the Board of the Business Security Council of Russia, stated the following essential points to safeguard business interests and security: 1) the development of private and civil law institutions in light of world experience and national realities of each country 2) the development of the judicial system with the main role of non-state arbitration courts 3) improving the system of risk control, including investment and commercial risk insurance issues.

Mr. Friedrich von Schwarzenberg then elaborated on the contribution the EBC could make in understanding the needs of private business. He emphasized the importance of bringing the results to the attention of the OSCE and governments in a joint effort by private/business circles.

Mr. Ivo Stanek presented a proposed Charter and By-Laws for an EBC, as well as a paper on Structure, Mode of Operation and Financing, for discussion in Workshop 2.

In Workshop 1, chaired by Prof. Georg Winckler, several topics were discussed which could be the relevant issues for deliberation by the EBC. Once discussed, the results would be presented to the OSCE and other authorities to define the needs and intentions of the business community. Transparency could bring better understanding of the different regional market participants. Equal standards with regard to data should assist confidence-building, and increase security and the enforceability of claims.

Under the chairmanship of Mr. Lewandowsky, Workshop 2 continued the discussion on the structure and mode of operation of the EBC. He proposed the elaboration of a "Charter for European Business", a proposal also presented by the participant Mr. Artak Udumyan of Armenia, to define the ethics and basic needs for business to function among European businessmen. Within the course of deliberations the various opinions were clarified and brought to the following conclusions:

The two proposals resulting from the discussion were

1. To create a European Business Council along the proposed lines of the Charter and By-Laws as a completely new body.
2. To use the International Vienna Council, an existing body, to act as the EBC, and thus to profit from the fact that this functioning organization could readily be adapted to fit the new requirements.

Finally, the following decisions were taken:

- Mr. Stanek, IVC Secretary General, was given the task of reporting about the conference to the Preparatory Meeting of the OSCE, taking place from November 4-24, 1996 in Vienna.

- The documents put forward at the conference - i.e. the charter, the structure and the by-laws, which were found satisfactory - and a report on its outcome are to be circulated to the participants of the conference, to other interested parties representing private business interests, as well as to those who were originally invited to attend, asking for a reply within a reasonable time-frame. These written proposals would have to be edited as the ultimate

document of recommendation for a founding meeting, to be held in April/May 1997, and resulting in the establishment of the EBC.

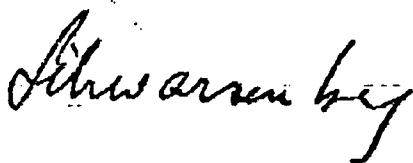
- To set up a working committee (organizing committee) as proposed by the Russian delegation. This was done and the following members were elected:

Rem Viakhirev, *Chairman, Gazprom, Russian Federation (Chairman)*
Stefan Lewandowsky, *President, Haste International; President, Foreign Investors Chamber of Poland*
Elizabeth Marshall, *Senior Advisor, Rolls-Royce Industrial Power Group, UK*
Rudolf Mosny, *Chairman, MYW Associates, Slovakia*
Giorgio Porta, *Director of International Affairs, ENI S.p.A., Italy*
Friedrich von Schwarzenberg, *Senior Vice President, Union Bank of Switzerland*
Philip R. Sherwood, *Sherwood & McKenzie Attorneys, USA*
Ivo Stanek, *Secretary General, International Vienna Council*
Pierre Tchoudnowsky, *Executive Vice-President, IVC French National Committee (voluntary member)*

This working committee will be instrumental in preparing the final meeting to found the EBC. Its task will be to organize the establishment in the most advantageous way possible, to comply with the needs and intentions of the business people who will be the members of this body, as well as the intentions of the OSCE. In this context various proposals for topics to be discussed during such a future meeting were also noted.

Finally, a paper proposed by the Russian delegation to be presented to the OSCE Lisbon Summit in December was accepted by the participants.

On behalf of the Organizers:



Dr. Friedrich von Schwarzenberg



Ivo Stanek

**The Structure, Mode of Operation and Financing of the
"European Business Council"**

1. Structure

The EBC is an association located in Vienna, Austria, according to the provisions of Austrian law (by-laws enclosed).

1.1. The EBC is structured on the basis of working groups, task forces or commissions for individual trades:

agriculture	environment
banking and insurance (finance)	high tech
consulting	transportation
energy	trade

1.2. All interested members automatically become members of a working group.

1.3. The working groups elect chairmen on a rotation basis.

1.4. The board of the EBC is composed of the chairmen of the working groups (not all countries to be represented!).

1.5. A chairman, vice chairmen and other executives are elected from among the board members.

2. Mode of Operation

The membership of the EBC is made up of enterprises and individuals. Institutions can also become members as long as they are NGO's. The EBC operates in OSCE member countries.

3. Goals

The EBC operates in order to achieve the goals of the Charter.

4. Financing

The financing is effected through a membership fee. No other form of contribution is intended.