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**STATEMENT BY THE REPRESENTATIVE OF THE
RUSSIAN DELEGATION REGARDING THE REVIEW OF THE
IMPLEMENTATION OF OSCE COMMITMENTS IN THE ECONOMIC
AND ENVIRONMENTAL DIMENSION AT THE THIRTEENTH
MEETING OF THE OSCE ECONOMIC FORUM**

Prague, 24 May 2005

Mr. Chairman,
Ladies and Gentlemen,

The Russian Federation attaches great importance to the review of the implementation of OSCE commitments in the economic and environmental dimension. We regard it as an important instrument for analysing the state of economic and environmental co-operation and evaluating socio-economic and environmental threats to security in the OSCE area.

During the past year, we have managed to make considerable progress in increasing the effectiveness of these reviews. A Memorandum of Understanding between the OSCE and the United Nations Economic Commission for Europe (UNECE) was signed in December 2004, setting the parameters for their co-operation in this area. It confirmed and set out in detail the traditionally important role of the UNECE in preparing these reviews and arranged the commitments in clusters, something that, in our view, will help to make the reviews more consistent and focused.

Unfortunately, we have not yet had time to study thoroughly the text submitted on the review of OSCE commitments in the area of integration, trade and transport. Nevertheless, there is clearly a fair amount of interesting material, in which both the UNECE's own research and assessments made by experts of other organizations are summarized.

The UNECE document shows that integration processes are active in the OSCE area, which makes it possible to use and pool resources more effectively but also involves the potential risk of the formation of closed areas and the emergence of new dividing lines. It is fair to say that the review's assessments supplement the conclusions drawn and recommendations made at the Special Session on Integration during last year's OSCE Economic Forum. As regards the subject of integration in the OSCE area, we should like to mention, in particular, one such positive development, namely the recent approval at the Russia-European Union Summit in Moscow of four "road maps", including a Road Map for the Common Economic Space.

Quite a number of indexes and diagrams are given in the review citing various international and non-governmental organizations as the sources. They are undoubtedly

striking and perform an important function. However, we should like the review's authors to select their examples more carefully in the future. Perhaps they should also take indexes containing similar information from several reliable sources. After all, researchers use different evaluation systems and different methods, and the results obtained are frequently completely different.

If we do not do this, we may have a paradoxical picture. For example, in Figure 8 on page 20, illustrating the overall trade protection index, Russia appeared at the bottom of the list, 18 places below Belarus, although the two countries are in a customs union and have a similar approach to trade policy. Figure 10 on non-tariff barriers puts Albania and Estonia in the first two places while Belgium, Russia and Greece are at the bottom of the list. It is also not entirely clear what criteria determined the hierarchy of countries in Figure 7 illustrating the economic freedom index.

In conclusion, we should like to note that although the reviews of commitments during the special sessions of the Economic Forum are important, work on analysing the OSCE's activities in the economic dimension will be genuinely effective only if it is conducted on a permanent basis and if we always bear in mind our commitments when planning OSCE activities and take the view that it is essential for them to be implemented consistently and comprehensively.

Thank you for your attention.