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Address by

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At the

**Twelfth Meeting of the OSCE Economic Forum
(Special Session)**

INTEGRATION PROCESSES IN THE OSCE REGION

Prague, Czech Republic, 31 May-04 June, 2004

Mr. Chairman,
Ladies and Gentlemen,

Allow me to address you, the participants of this Forum, on behalf of the GUUAM Group member states as its acting chair country representative.

First of all, let me take this opportunity and extend my sincere appreciation to the government of Czech Republic and the Organization for Security and Co-operation in Europe (OSCE) for hosting and convening this Forum.

As you are well aware, Georgia chairs the GUUAM Group at present. Although past seven years marked great progress in the assertion and wider acknowledgement of this regional organization, there had been certain objective difficulties as well. However, GUUAM has proved its importance and viability. This year, the UN granted GUUAM an observer status in the UN General Assembly that was the official acknowledgement. Now, I would like to express my deep satisfaction and inform you that it is intended to transform GUUAM into the regional organization officially in a couple of weeks at the Batumi Summit in Georgia.

Now, let me point out some aspects including specific projects and programs that are of prior importance. Their implementation will add positive impulse to co-operation within the GUUAM framework.

The first definable factor is formation of two main directions of the activities within GUUAM:

- ***Economic direction*** that envisages creation of Free Trade Zone through establishing common rules, unification and harmonization of customs procedures and implementation of Trade and Transport Facilitation Project within GUUAM, which includes elaboration of trade and transportation facilitation policy through coordination of legislation, norms and procedures as well as developing customs and border services infrastructure;
- ***Struggle against threats to trade and transport and providing for security and efficiency of transport corridors which includes fight against terrorism, organized crime, drug trafficking and other dangerous types of crime.*** This direction is coordinated and implemented by GUUAM Virtual Center and Interstate Information Management System (VC/IIMS).

The GUUAM countries have high expectations of productive cooperation with many countries and the international community in combating terrorism, organized crime, drug trafficking, illegal arms trade and other unlawful actions, as well as ensuring security of transit corridors.

Determination of the GUUAM States to cooperate with other international and regional organizations that already have taken the shape of specific cooperation through information exchange, preparation of qualified staff and elaboration of joint projects can be considered as the second significant point.

Today, we can claim that GUUAM gradually but confidently starts to appear as a fulfilled regional structure in the international arena. It is confirmed by keen interest in our organization and active cooperation of GUUAM with the international community. In this regard, on behalf of the GUUAM member states I would like to thank in person Dr. Solomon Passy, OSCE Chairman-in-Office and Minister of Foreign Affairs of the Republic of Bulgaria for invitation and this chance to participate in the OSCE Session, to offer our vision. We deeply appreciate this valuable political support.

The third - at the initial stage of GUUAM's self assertion we rejected creation of outdated bureaucratic structures and headed towards establishment and practical activation of interagency working groups. Nowadays, they are providing us with actual results while elaborating GUUAM exact action-oriented projects and programs where interests of all member countries are taken into consideration. However, creation of corresponding coordinating structures in addition will be highly expedient.

With regard to the European Union's Enlargement in the East within the "New Neighborhood Initiative" framework, the relationship of GUUAM with EU and other European structures should be built on a particularly new basis, taking into consideration the strategic goals of our States. We are sure that active participation of our organization in the integration processes will strongly contribute to the stability and security not only in our region, but also on the European continent as a whole.

OSCE with its extensive experience and indisputable authority could render GUUAM tangible assistance in organizing International Economic Forum. The International Economic Forum could concentrate on the theme GUUAM and New Expanded Europe and highlight following main subjects:

- Discussion of Economic aspects of GUUAM participation in the European integration processes;

- **Elaboration of GUUAM economic strategy oriented towards European integration;**
- **Elaboration of GUUAM short, medium and long-term Action Plans in compliance with the OSCE recommendations.**

It is quite obvious that we should attach more importance to the development of our joint economic activities throughout the entire GUUAM region by intensifying bilateral and multilateral ties to maintain sustainable development. We are looking forward to discussing and exploring effective ways of boosting regional cooperation to meet the challenges of globalization with participation of governments and international organizations, business community and private sector.

Inclusion of the GUUAM in international projects and programs of global importance will become a catalyst for enhancing understanding between the countries, strengthening economic independence and ensuring inter-regional security and stability. It will properly serve the globalization process and emergence of a global market. In this regard, the role of UN, OSCE, other international organizations and financial institutions cannot be underestimated for they are key factors in ensuring security and peace, stability and economic prosperity.

We are confident that GUUAM with support of interested states and international community will establish its proper place among international organizations.

Thank you