



Organization for Security and Co-operation in Europe

30th OSCE Economic and Environmental Forum

“Promoting security and stability in the OSCE area through sustainable economic recovery from the COVID-19 pandemic”

FIRST PREPARATORY MEETING

Vienna, 14-15 February 2022

OSCE Congress Centre, Hofburg, Vienna, and via Zoom

Closing remarks

Ambassador Igli Hasani

Co-ordinator of OSCE Economic and Environmental Activities

**Distinguished delegates and representatives,
Dear Colleagues,
Ladies and Gentlemen,**

I am very pleased to wrap up the First Preparatory Meeting of the 30th Economic and Environmental Forum of the OSCE, and highlight some of the most salient points that emerged during our discussions.

But before we start, let me thank all moderators, speakers and delegations for their insightful presentations and constructive interventions delivered over the last day and a half. In particular, I appreciated the out-of-the-box contributions of representatives from academia and the private sector, which complemented and further enriched positions expressed by national policymakers.

I would like to thank the Polish Chairmanship of the OSCE for the excellent cooperation in the run-up to and during the conduct of this meeting. This event gave us a timely opportunity to assess the impact of the ongoing pandemic on our common security, and reflect on how the OSCE can support sustainable economic recovery in its region.

Now, please allow me to share with you some key takeaways that I noted down during the course of the meeting.

The meeting reconfirmed the disruptive effects of Covid-19 on growth and development across the OSCE region. After rebounding to an estimated 5.5% in 2021, the global growth is expected to decelerate significantly in 2022 - to 4.1%. This forecast comes from the World Bank, which

attributes the projected decline to the spread of the Omicron variant and lingering supply bottlenecks.

To rapidly reverse this trend and foster a sustainable economic recovery, strengthening regional and global cooperation is key. As a platform for dialogue, co-operation and for sharing national experiences the OSCE has clear comparative advantages. Thanks to its broad mandate in the second dimension, the organization is well-placed to facilitate transport and trade, develop human capital as well as promote good governance and anti-corruption efforts. In this sense, it can provide valuable support to participating States in their efforts to implement respective build-back-better agendas aimed at promoting post Covid-19 sustainable economic development.

Dear colleagues,

With global supply chain disruptions set to continue throughout 2022 and into 2023, including in the OSCE area, significant investments are necessary to boost their agility and resilience. The use of digital technologies, for example, has a great potential to support the creation of more secure and reliable supply chains, making it easier to respond to unforeseeable disruptions.

In the OSCE region, for example, connectivity is a key factor for fostering co-operation among participating States and a prerequisite for economic growth, stability and security. The OSCE's work in this domain is guided by a solid mandate enshrined in a number of Ministerial Council decisions.

Harmonized trade and border clearance procedures based on international standards have obvious security advantages for the OSCE region. They lead to more predictability in economic relations, increased confidence building and good-neighbourly relations among participating States.

In this light, the OCEEA will continue to support regional trade facilitation and connectivity in land-locked countries. Other activities in this field include the implementation of the second phase of the extra-budgetary project "Promoting Green Ports and Connectivity in the Caspian Sea Region", aimed to improve the security, sustainability and connectivity of trade flows from Central Asia to Europe.

When it comes to the Fourth Industrial Revolution many around this table noted that it presents a turning point for human development. According to a report published by the McKinsey Global Institute in 2017, as much as 14% of the global workforce will need to switch occupational category by the year 2030 because of increasing automation. The Covid-19 pandemic has further accelerated this trend due to an expanded use of technology over the past two years.

While the advantages of rapid technological change are obvious, greater automation has important economic and social repercussions. These include increased unemployment, downward pressure on wages of low-skilled workers, and potentially widespread failure of overwhelmed welfare systems.

Bold public and private policy responses are needed in order to build appropriate training systems and labor market institutions necessary to develop new skillsets. It is up to the business

community to recognize and invest in their “human capital” as an asset, rather than see it as a liability. Governments too, have a huge stake in this endeavor. Closing the skill gap will require adequate funding and sustained dialogue with the private sector and education providers. In this domain, our Office will continue to implement specific initiatives designed to support innovative young start-uppers and women’s economic empowerment.

Ladies and Gentlemen,

The meeting recognized the pressing need to integrate good governance and anti-corruption policies in ongoing post-pandemic recovery strategies. Technological development and the growing use of digital tools have proven to be extremely helpful in addressing corruption and bolstering transparency in public service delivery.

However, technology-enabled transparency and accountability mechanisms may often prove insufficient, especially in organizations riddled with corruption, where officials at multiple levels of authority conspire together. In these cases, open data policies and genuinely accessible information are required to reap the true benefits of technology.

Reducing corruption alone will not ensure good governance, unless greater accountability, political stability, and the rule of law are established simultaneously. Cognizant of this nexus, we have placed development efforts at the core of our activities to prevent and fight corruption. Ongoing initiatives support participating States meet the Goals of the 2030 Sustainable Development Agenda, which considers good governance as a quintessential element for achieving sustainable development.

The OSCE participating States have established a solid anti-corruption acquis, including through the adoption of the Tirana Ministerial Council decision on “Preventing and Combating Corruption through Digitalization and Increased Transparency”, which acknowledges the links between digitalization and anti-corruption. They have also committed to put in place measures that promote good economic and environmental governance, transparency in the public services and increased corporate responsibility in the private sector.

Building on these commitments, the OCEEA is currently supporting participating States with several programmatic activities designed to enhance digitalization and the use of open government data to prevent and combat corruption.

Besides building national capacities, our anti-corruption activities include also awareness-raising campaigns and education programmes targeting young generations. As a systemic issue, corruption can be successfully tackled only through a concerted effort of multi-stakeholder groups, including the citizenry and civil society organizations.

We are confident that our ongoing anti-corruption activities contribute to the creation of positive climate for entrepreneurship and investment in many beneficiary participating States. This in turn opens up new business opportunities for small and medium enterprises, with evident positive effects on economic growth.

I believe this preparatory meeting provided considerable food-for-thought on how we can leverage the OSCE’s potential towards a post-pandemic recovery that leaves no one behind, thus laying the groundwork for a productive 30th Economic and Environmental cycle.

We look forward to the Second Preparatory Meeting with its expected focus on energy transition, green recovery and environmental protection.

Before concluding, a final word of thanks and appreciation for the continuous support of our colleagues of Conference Services and our interpreters.

I thank you for your attention.