Original: ENGLISH



United States Mission to the OSCE

25th Economic and Environmental Forum "Greening the economy and building partnerships"

Opening Statement – First Preparatory Meeting

As delivered by Darren Perdue, Political Officer Vienna, Austria January 23, 2017

Good morning fellow delegates, representatives, and distinguished guests. On behalf of the United States, I would like to thank you, Mr. Chair, and the Austrian Chairmanship, Secretary General Lamberto Zannier, Coordinator Dr. Halil Yiğitgüden, and your staff members for planning this week's First Preparatory Meeting of the OSCE's Economic and Environmental Forum (EEF). We also warmly welcome Deputy Foreign Minister Michael Linhart, Finance Minister Hans Jörg Schelling, and Minister Tatiana Valovaya to the OSCE. Thank you all for your participation in this Preparatory Meeting, which demonstrates the importance that the Austrian Chairmanship and the OSCE place on the economic and environmental dimension.

Mr. Chair, the United States welcomes Austria's commitment to reinvigorate and further advance the OSCE's work in the economic and environmental dimension. We support the priorities that the Austrian Chairmanship has outlined, including reducing environmental risks, improving energy security through resource efficiency and renewable energy, and strengthening security through good governance, greater economic participation, and economic partnerships. Each of these priorities can positively impact security and stability in the OSCE region. As Finance Minister Schelling said well, security, economy, and peace are interrelated and not independent. We also welcome your plan to more closely involve the OSCE field missions, Aarhus Centers, and business sector in the OSCE's Second Dimension. Each of these groups has valuable insight to share, and we welcome their contributions, including in this week's EEF meetings. We also strongly support the Austrian Chairmanship's emphasis on the importance of greater inclusivity, particularly with respect to women and young people.

We were pleased that, under the leadership of the German Chairmanship, consensus was reached in Hamburg on a Ministerial Decision to strengthen good governance and promote connectivity. This Decision provides an effective basis through which participating States can enhance transparency and improve the business climate; expand cooperation on transport and trade facilitation; ensure adherence to labor, social, and environmental standards; and strengthen public-private partnerships in the fight against corruption, money laundering, and financing of terrorism.

While we were disappointed that the Ministerial Decision did not reflect the urgent need to address human trafficking and labor exploitation in global supply chains – an issue most participating States wanted to see included – we appreciate Austrian Chairmanship's commitment to substantially address this as a priority during 2017. We strongly support

the OSCE's ongoing work in this cross-dimensional area, particularly by helping participating States lead by example through their own procurement policies. We look forward to the EEC Committee meeting on May 24 that will address this important issue and commit our active participation.

Turning toward this week's events, the United States attaches particular importance to the OSCE's work to promote good governance and to prevent, combat, and prosecute corruption. The scourge of corruption affects the security of all OSCE participating States by impeding democratic progress, respect for human rights, government accountability, political and social inclusion, and inclusive economic growth. As noted in the *Food For Thought* Paper distributed last week by the Secretariat, when corruption becomes systemic, it becomes a factor in social unrest and insurgency, nurtures other international security threats, facilitates terrorist activities and organizations, and diminishes security. We encourage and fully support the OSCE's ongoing focus on this important topic and look forward to the discussion in Session I today.

This week's meeting will also focus on building economic partnerships and the potential to improve economic relations in the OSCE area, including in conflict regions. The United States welcomes the effort to increase economic ties among OSCE participating States, particularly those in the Caucasus and Central Asia. By removing barriers to cross-border cooperation, supporting trade facilitation and customs cooperation, and improving the regional investment climate, the OSCE and its participating States can foster more sustainable growth across the region. Regional efforts designed to improve economic connections in the Caucasus and Central Asia, such as the New Silk Road initiative and the Central Asia Regional Economic Cooperation Program, can be enhanced by OSCE activities in the region. With that said, it is clear that sufficient political will must exist before economic connectivity can play its part in building trust and restoring security.

Finally, the United States welcomes the Austrian Chairmanship's Business Conference this week, which will bring together government leaders, the business community, academia, and civil society to explore opportunities for partnership and innovation. The Conference builds on the successful efforts of the German Chairmanship to increase participation by the private sector, which we strongly support. With the right policy, regulation, and incentives, businesses can play a significant role in developing innovative solutions to some of our most difficult challenges.

In closing, we again would like to express our appreciation to the organizers of this First Preparatory Meeting. Mr. Chair, Austria can count on the support of the U.S. delegation in the Second Dimension throughout your 2017 Chairmanship.

Thank you, Mr. Chair.