



Organization for Security and Co-operation in Europe

The Secretariat

**Co-ordinator of OSCE Economic
and Environmental Activities**

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Fourteenth OSCE Economic Forum – Part II

“Transportation in the OSCE area: Secure transportation networks and transport development
to enhance regional economic co-operation and stability”

Opening Remarks by

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Co-ordinator of OSCE Economic and Environmental Activities

Mr. Chairman,
Excellencies,
Distinguished Ambassadors
Ladies and Gentlemen,

Allow me to join the previous speakers in welcoming you all to this meeting and in thanking the partner organizations present here for their valuable input along the preparatory process for this Economic Forum. The same gratitude goes to my colleagues from other units in the Secretariat, in particular the Action Against Terrorism Unit and the CPC Border Unit. I am also delighted to welcome the representatives from our OSCE field presences, Heads of Missions as well as our Economic and Environmental Officers.

I have noticed with great pleasure that many representatives from the private sector, academia and numerous NGOs are present. I am looking forward to their active participation in our deliberations, to an interactive and enriching dialogue. Partnership and co-operation are at the very heart of the OSCE’s activities, especially in the economic and environmental dimension.

Before I move on to the substance of the Economic Forum, let me say a few words about the OSCE's economic and environmental dimension in general.

Over the past 12 months, there have been a number of interesting and encouraging developments in the economic and environmental sphere and one could not fail to notice that the OSCE participating States have been supportive towards an enhancement of the OSCE's second dimension, whose mission consists in preventing conflicts, encouraging dialogue and co-operation and stimulating post-conflict rehabilitation through economic and environmental activities.

I am very pleased to see that multi-annual programmes such as the Environment and Security Initiative (ENVSEC) and the Anti-Trafficking Programme have been developed and that they are successfully implemented by the OCEEA in co-operation with field missions and partner organisations, as follow-up to previous Economic Fora. These initiatives are growing stronger and stronger every year, as new partners join us in our endeavour.

Other new projects in promoting good governance, combating corruption, fighting money laundering have also been launched and successfully implemented by the OSCE field missions.

All these recent developments are constantly transforming the approach the OSCE has taken in the second dimension and also the perception others have about it. In many areas, such as the environment, but also with regard to the fight against corruption or combating money laundering and the financing of terrorism and more recently the promotion of better policies towards migration, the OSCE is now being considered a significant international player.

In this connection, I am pleased to announce the release of the Annual Activity report of my Office for the period June 2005 to May 2006.

Ladies and Gentlemen,

The two preparatory Conferences in Dushanbe and Baku as well as the first part of the Forum in Vienna highlighted the relevance of the chosen theme of this year's Economic Forum "*Transportation in the OSCE area: Secure transportation networks and transport*

development to enhance regional economic co-operation and stability". These are issues which affect people everywhere in the OSCE area. Transport is vital to the functioning of economic activities, to production and distribution of goods as well as to trade. The ability of any enterprise, small or large, and of any country to compete successfully, further develop its activities and integrate into the national or global economy depends on its productive capacities as well as on its ability to bring goods to the market at the lowest possible cost and under predictable conditions. Transport costs may constitute an important barrier to market access.

The conclusions and suggestions of the preparatory Conferences as well as the results of the first part of the Forum, held in Vienna in January, were instrumental in identifying a number of priority issues and possible follow-up activities. All these ideas have been listed in the document entitled "**The Transport Dialogue in the OSCE. Results of the 14th Economic Forum**", which I believe you have all received and read.

The agenda of this meeting in Prague, the second part of the 14th Economic Forum, has been structured around these priority issues. Our general objective during the deliberations over the next days should therefore be to further clarify how participating States and the OSCE can proceed in these areas of activities.

I hope that within the framework of our discussions over the coming days, we will manage to make these proposals more concrete – also by taking into account the experience that the OSCE has already acquired in this area, as well as that of its partner organisations.

Let me now say a few words about the structure of the meeting.

Tomorrow, the **Review Session** will focus on commitments in the area of transport. The Background report for this session has been prepared by the United Nations Economic Commission for Europe (UNECE). I want to commend the authors of this report for the quality of their work as well as for the timely circulation of the document. You have noticed already that it includes at the end three very concrete proposals. This is an element of novelty within the review session, which indeed should not only analyze what has or has not been done in the past but at the same time should look into the future and identify ways and means

to improve our work. I am looking forward to your comments on the above mentioned UNECE proposals and I do believe that the OSCE and the UNECE can do a lot together in the field of transport.

A **side event of the Forum** with the OSCE's Mediterranean partners will also be held tomorrow morning. I am very happy that this tradition, initiated three years ago, is being continued and that the Mediterranean partners are each year ready to engage with the OSCE in a meaningful and substantive dialogue. This year, the Spanish incoming Chairmanship has been instrumental in setting up the side event.

Following the review session, tomorrow and on Wednesday morning, five thematic sessions will take place.

A first session will be dealing with “**Transport development to enhance regional economic cooperation and stability: the special case of landlocked countries**”. Indeed, landlocked countries, among which several OSCE participating states, face very specific impediments to their economic development. Whereas the United Nations have the mandate and the primary responsibility to deal with the problems of landlocked countries, it is recognized that the OSCE can play a useful complementary role among others by raising awareness and perhaps launching capacity building projects. This Conference in Prague, in which **all** relevant stakeholders of the OSCE region are represented, both international organizations as well as the participating states concerned, is expected to produce a specific road map on how to move further in alleviating the economic impediments of OSCE landlocked countries through encouraging the implementation of already existing frameworks.

In a second session, we will look closer into issues related to the **key role of good governance**. Good public and corporate governance are recognized as the essential foundations of a sound economy as it tends to attract investments and helps to create a climate of confidence essential to ensure positive economic and social development. This in particular is a field in which the OSCE has accumulated a great deal of expertise; indeed, examples of OSCE activities in this area are numerous: trade and transport facilitation programmes in cooperation with partner organizations have been conducted in the past and will be repeated in the near future. Public-private partnership is recognized as a key factor in the promotion of good governance. In this regard, during the preparatory process, private

sector representatives formulated a number of useful suggestions that deserve to be elaborated upon. I am looking forward to seeing these ideas and suggestions become more concrete and specific.

“Addressing risks to transport security in the various transport modes” is another important topic on the agenda of this Forum. The conclusions and suggestions drawn from the preparatory Conference in Baku highlighted the need for better coordination and exchange of information in relation to transport security. In this regard, it was suggested that the OSCE could play a role in bringing together the expertise of relevant international organizations active in the area of transport security and cooperation. It is now up to the participants in this conference to define if and how the OSCE should take up a role in this.

A fourth session will be dealing with **“OSCE transport activities and their contribution to confidence building and the solution of unresolved conflicts”**. Given the political sensitivities at stake, it has proven to be difficult to reach consensus on some of the activities that were proposed during the preparatory process so far. Nevertheless, recent experiences show us that initiatives to resolve economic issues can indeed be part of the incentives to proceed with the settlement of a conflict and can even precede a political settlement. The OSCE as a comprehensive security organisation should continue to contribute to conflict settlement, including through economic means.

Another important issue that will be dealt with at this conference is **“Integrating transport development and environmental concerns”**. As the outcome of the preparatory conferences has shown us so far, the OSCE can contribute here as well. The transport of hazardous goods would be a very telling example in this regard, as it poses not only environmental risks but is also relevant to the security of transport corridors and their surrounding populations. OSCE supported Aarhus Centers are already contributing to more transparency and public involvement in the formulation of national environmental policies.

Ladies and Gentlemen,

Each Economic Forum is meant to be followed by projects in the relevant areas. I am delighted to announce that some recommendations of previous Fora have reached fruition. During **two Special Events**, one to take place later today and another tomorrow at lunchtime,

two new "OSCE products" will be introduced to you - the **OSCE Guide on Best Conditions for Enhancing the Business and Investment Climate** and the **OSCE/IOM/ILO Handbook on Labour Migration**. I strongly encourage you to attend these special events and find out more, directly from the experts involved in developing these projects, about the Guide and the Handbook, as well as about our future plans and possible activities in these areas. (For those still not convinced, there is yet another incentive – a glass of champagne will be offered...)

I am looking forward to hearing our distinguished keynote speakers and then the comments and interventions from the floor.

Thank you for your attention.