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THE UNECE'S COOPERATION WITH OSCE IN THE ECONOMIC AND ENVIRONMENTAL DIMENSIONS OF SECURITY

Note by the Executive Secretary

This note provides information on the cooperation between the UNECE and OSCE since the fifty-ninth session of the Economic Commission for Europe (24-26 February 2004).

I. INTRODUCTION

1. At the fifty-ninth session of the United Nations Economic Commission for Europe member States discussed cooperation with OSCE (agenda item 5). It was noted that the UNECE has occupied a privileged position among all the organizations with which the OSCE has cooperated. This was explicitly reflected in the OSCE Strategy Document for the Economic and Environmental Dimension in 2003 (see www.osce.org/events/mc/netherlands2003/documents/files/mc_1070374622_e.pdf), which identified the UNECE as the key partner in its implementation. During the Commission session, member States noted that the special relationship between the two organizations needed to be more clearly defined, particularly in the context of potentially new areas of cooperation arising out of the OSCE Strategy Document. In this respect, the Commission approved the creation of an Inter-Secretariat task force that was to prepare a detailed plan for cooperation. The plan, among others, would provide a basis for a formal memorandum of understanding between the two organizations. The Commission also agreed to the continuation of the traditional involvement of the UNECE in the review of OSCE commitments (being part of the 2004 OSCE Economic Forum).

II. BACKGROUND

2. The UNECE and OSCE have over many years developed a close working relationship, which is fully supported by their member States at the meetings of the UNECE annual sessions and the Participating States at the OSCE Economic and Environmental Sub-Committee. The respective areas of expertise of both organizations are complementary. The OSCE provides a political platform and a network of field offices while the UNECE has secretariat capacity, expertise in economic analyses and its norms, standards and conventions. This joint "security-economic development" nexus offers potential advantages with respect to addressing root causes of conflict. (The environmental conventions, for example, incorporate

mechanisms for resolving disputes and are thus excellent instruments for serving the OSCE.) There are also other reasons explaining the traditionally close cooperation between the two organizations. The UNECE and OSCE share the same membership and they provide to each of these constituents the same neutral framework for resolving potential conflicts.

3. In recent years, the cooperation between the UNECE and OSCE has entailed many specific areas and methods.

- The UNECE has prepared substantive reviews of the performance of OSCE Participating States in implementing commitments in the economic and environmental dimension stemming from declarations since the Helsinki Final Act in 1975, including the declaration of the Bonn Conference of 1990 and the Istanbul Charter of 1999. These review sessions have become a regular feature of the OSCE annual Economic Forums.
- The UNECE has notably provided studies and economic analyses for the annual Economic Forum and its preparatory seminars. It has also contributed speakers, moderators and experts for other OSCE initiatives. Similarly, the OSCE Secretariat, through the Secretary General, the Office of the Coordinator of Economic and Environmental Activities and/or the Chairmanship has contributed to UNECE events.
- The UNECE organized expert meetings to investigate the relationship between security and economics. The UNECE and OSCE, with the participation of experts from NATO, jointly hosted an international colloquium on the Economic Aspects to Conflict Prevention in 2001 in Villars, Switzerland. This was followed by another seminar, also in Villars in 2003, concerning the OSCE Strategy Document. The latter seminar gathered experts to solicit inputs, which were then submitted as a report to be used as a basis for the Strategy Document. The published proceedings provide important materials for reflection on how cooperation between UNECE and OSCE might be developed further to address new security challenges (for more information see www.unece.org/ead/ead_sec_new.htm).
- There has been ongoing cooperation between the two organizations in developing an early warning mechanism in the OSCE economic dimension.

4. Finally, it is worth pointing out that the recent Report of the UN Secretary-General's High-level Panel on Threats, Challenges and Change notes economic, social threats and environmental degradation among the six main clusters of threats with which the world must be concerned now and in the future. It also urges the United Nations to cooperate more closely with regional and sub-regional organizations. It appears that the close cooperation between the UNECE and OSCE over the last few years has fulfilled to some extent the latter recommendation well before the publication of the report. Similarly, by virtue of the topics and work undertaken mutually, both the UNECE and OSCE appear to have already recognized the importance of economic development and the environment in the context of conflict prevention and threat minimization.

5. Since the fifty-ninth session of the Commission in February 2004, the UNECE has participated in a considerable number of projects and initiatives either jointly with the OSCE or at various OSCE fora. Some initiatives have already been completed while others were initiated in 2004 and are ongoing. A listing of major undertakings in the areas of economics, environment and security are provided in the following two Sections.

III. ECONOMIC DIMENSION OF SECURITY, 2004-2005

6. In this area, joint projects have focused on issues such as a review of OSCE commitments, active participation in preparatory seminars for the Economic Forum and involvement in the design of an early warning mechanism.
7. Identification of the main threats to the economic dimension of security in the UNECE region as well as recommendations on how they can be eliminated or minimized was the main topic of a high-level Workshop on “The Economic Dimension of Security in Europe: Facing New Challenges in a Changing Environment” in March 2004. This workshop, organized jointly by UNECE and OSCE, was part of a UNECE project on “wider Europe” issues (for more information see www.unece.org/trade/workshop).
8. In May 2004, upon the invitation of the Office of the OSCE Coordinator of Economic and Environmental Activities, an extensive presentation to the OSCE Economic and Environmental Sub-Committee on “Integration and security in the OSCE region” was made in Vienna.
9. In June 2004, at the annual OSCE Economic Forum in Prague, the UNECE contributed to the review of OSCE commitments by preparing a comprehensive report and making a presentation on the “Investment climate in the UNECE region”. The report highlighted the current investment climate in all UNECE member States, discussed the prevailing shortcomings and suggested policy recommendations. In particular, the report identified three major building blocks for the creation of a favourable investment climate: macroeconomic stability, effective institutions and financial and physical infrastructure (for more information see www.unece.org/ead/ead_sec_new.htm).
10. In November 2004, the OSCE began to develop a workplan on the development of an early-warning mechanism (EWM) as part of the OSCE economic dimension. The OSCE Strategy Document has invited the UNECE to cooperate with the OSCE on developing such an early warning mechanism. The UNECE therefore participated in a workshop on a Joint Early Warning Mechanism, during which the UNECE tabled a discussion paper and co-chaired the proceedings. The UNECE involvement has been limited to the conceptual and design issues with respect to EWM (for more information see www.unece.org/ead/ead_sec_new.htm).
11. Industrial restructuring in the former USSR and in south-east Europe was discussed at a jointly organized forum on Public-Private Cooperation in Industrial Restructuring in November 2004 in Almaty. It focused on problems of public-private partnership in industrial restructuring. The participants discussed and adopted recommendations for central, regional and municipal governments in these countries. (for more information see www.unece.org/ie/welcome/rt&sems.html).
12. In November 2004, the UNECE participated in the first preparatory seminar for the 13th OSCE Economic Forum in Trieste by making a plenary presentation on the topic of the seminar: “Demographic prospects in the OSCE area: economic and security implications” (for more information see www.osce.org/documents/sg/2004/12/3978_en.pdf).
13. Throughout 2004, the Inter-Secretariat Task Force actively prepared and negotiated a Memorandum of Understanding. A number of working meetings and videoconferences took place.

14. In December 2004, the Executive Secretary of the UNECE participated in the OSCE Ministerial Council meeting in Sofia where she signed the Memorandum of Understanding (MOU) between the Secretariats of the UNECE and OSCE (for more information see www.unece.org/ead/ead_sec_new.htm).

15. In line with the MOU, the UNECE is expected to prepare the review of OSCE commitments in May 2005. The review will consider OSCE commitments in the areas of “Integration, trade and transport”. Work is underway to prepare a multi-divisional report and presentation. Moreover, a Joint Working Group on Mutual Cooperation has been formed, which will consider future joint UNECE/OSCE activities.

16. In view of the OSCE Ministerial Decision taken in December 2004 to improve the effectiveness of the Economic Forum, the UNECE has engaged in (so far) informal discussions on how to enhance the review of OSCE commitments beginning in 2005 (for more information see www.osce.org/events/mc/bulgaria2004/documents/files/mc_1102429084_e.pdf).

17. The UNECE is likely to play a role in an experts’ workshop in early 2005 to discuss container security developments, raise awareness and exchange information on best practices in the field of container security (for more information see www.unece.org/ie/welcome/rt&sems.html).

IV. ENVIRONMENTAL DIMENSION OF SECURITY, 2004-2005

18. Many joint UNECE/OSCE activities in the field of the environment are focused on the development and implementation of water-related projects and activities, in particular the development of shared use and protection of water resources according to the principles of the UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes. Some activities have also been initiated on environmental impact assessment in a transboundary context. Most of the undertaken work supports the implementation of UNECE Regional Environmental Conventions, the majority of which focus on the development of joint protection and use of natural resources. Joint activities with the OSCE are components of the OSCE-UNDP-UNEP Environment and Security Initiative. Geographically, there is an emphasis on Central Asia, but joint activities are also carried out in other CIS countries. A list of on-going joint projects is provided in the following paragraphs.

19. The project for the “Establishment of a Bilateral Kazakh-Kyrgyz Water Commission on the Rivers Chu and Talas” aims at assisting Kazakhstan and Kyrgyzstan in making operational the Agreement on Utilization of the Water Facilities of Interstate Use on the Chu and Talas Rivers between the Government of the Republic of Kazakhstan and the Government of the Kyrgyz Republic. The project will be finalized in March 2005 (for more information see <http://www.talaschu.org>).

20. A project on “Transboundary Cooperation and Sustainable Management of the Dniester River” involving Ukraine and the Republic of Moldova began in September 2004 and will continue until the end of 2005. The objective of this project is to facilitate the development of regional cooperation between the Dniester riparian states, Ukraine and the Republic of Moldova, including Transdniester, on the management of shared water resources

in the Dniester River basin. A follow-up aimed to start a negotiation process is being developed (for more information see <http://dniester.org>).

21. A three-year capacity building and networking project for managers and experts on transboundary waters in the CIS region – “Capacity for Water Cooperation” – began in Kiev in November 2004. It is intended to strengthen the capacity of transboundary water management in the CIS countries. Both the UNECE and OSCE are discussing the possibility of co-organizing a workshop in 2007.

22. A project on the application of the Environmental Impact Assessment (EIA) Convention in Central Asia is being developed together with the OSCE. While the project is likely to commence in 2005, UNECE with collaboration of the OSCE regional office in Kyrgyzstan has already held a workshop in October 2004 in Bishkek: “Sub-regional workshop on the practical application of the UNECE Convention on Environmental Impact Assessment in a Transboundary Context in Central Asia” (for more information see <http://carec.kz/news/18.10.2004/18.10.2004.htm/BL> in Russian only).

23. There is also close cooperation between the Secretariat of the UNECE Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention) and the OSCE Secretariat. The provisions of the Aarhus Convention are the focus of many OSCE activities such as the establishments of so-called “Aarhus-centres” in some countries in Central Asia and Caucasus. Representatives of the Aarhus Convention Secretariat frequently participate in OSCE activities.

24. Within the framework of its programme on education, the OSCE promotes the UNECE Strategy of Education and Sustainable Development. The programme has, among others, included the organization of sub-regional workshops in Central Asia.
