

Concluding statement by Ambassador Vinicio Mati,

OSCE Italian Chairmanship coordinator

**Concluding meeting of the 26<sup>th</sup> Economic and Environmental Forum**

“Promoting economic progress and security in the OSCE are through innovation, human capital development, and good public and corporate governance”.

Prague, 7 September 2018

Excellencies,

Distinguished Colleagues,

Ladies and gentlemen,

- Let me start by thanking the Secretary General, Amb. Thomas Greminger, for attending the Concluding Meeting of the 26th Economic and Environmental Forum. Your words of support were very encouraging and we would like to commend the efforts of the Secretariat to enhance the work of the OSCE’s Second Dimension.
- I would also like to thank all those who have contributed to the success of the Forum. In particular, I would like to thank our host, the Deputy Foreign Minister of the Czech Republic, as well as the Co-ordinator for OSCE Economic and Environmental Activities, Ambassador Vuk Žugić, and his

able team for organising this meeting in such an excellent way.

- Furthermore, let me express my gratitude to the moderators for having chaired the thematic sessions, and to all the speakers and participants for the outstanding presentations and the constructive ideas put forward over the last three days.
- Thanks to your contributions, we have heard a broad range of ideas and insights on “promoting economic progress and security in the OSCE are through innovation, human capital development, and good public and corporate governance”, in particular concerning the challenges and opportunities associated with the ongoing digital transformation.
- Several speakers emphasised the way digital economy transcends all borders, and underlined the importance of promoting a multi-stakeholder approach as the best way to leverage the opportunities offered by digital innovation. In this regard, through its presence in the field, the OSCE can play a key role in facilitating the exchange of information and best practices between the public and private sectors, while also encouraging inclusive dialogue with local authorities.

- Our discussions also highlighted the possibilities offered by innovation in terms of new economic opportunities, with a particular focus on Small and Medium Enterprises. The speakers stressed the urgent need to strengthen the resilience of the business sector against cyber threats. They illustrated what companies can do to protect themselves from digital threats, and what governments and multilateral organisations like the OSCE can do to support them in this regard.
- Following on from the interesting exchanges we had in Venice on the importance of innovation to enhance good governance, representatives from OSCE participating States were invited to share their national experiences on how to digitise the public administration effectively.
- Last but not least, following the final Session, we have raised our awareness of the importance of investing in human capital development as a key tool to address some of the emerging challenges stemming from digital transformation.

*(pausa)*

- Dear colleagues, these topics have been the overarching theme of the Italian Chairmanship this year. We have had

several occasions to discuss the impact digital transformation is having on our societies and economies.

- At the first Preparatory Meeting of the EEF in Vienna, we reflected on the role of the digital economy as a driver for innovation, competitiveness and growth in the OSCE region, as well as its potential to enhance connectivity and business interaction among countries.
- At the Second Preparatory Meeting in Venice, we exchanged views on the impact of technological innovation and digitalisation on the labour market and on good public and corporate governance.
- With the support of the Italian Digital Transformation Team, whose representative, Dr. Daniela Battisti, I would like to thank for her excellent support and collaboration, the Italian Chairmanship has decided to arrange further, “ad hoc”, discussions to address the questions posed by participating States about the relevance of this topic to the OSCE’s security agenda.
- Overall, the discussions have shown that investing in human capital development while strengthening good public and corporate governance can help our participating States

address many of the security challenges stemming from digital transformation. It can also help us tackle inequality and foster cooperation in the OSCE area. Furthermore, we have heard how the digital economy can be a powerful tool for developing new forms of work, expanding trade partnerships, and facilitating trust and connectivity in the OSCE area.

*(pausa)*

Ladies and gentlemen,

- Being the flagship event of the OSCE Second Dimension, the Forum in Prague is expected to provide the Chairmanship with a clear idea on how to best prepare for the Ministerial Council.
- In this regard, during the session on “The Way to Milan”, we had a very constructive exchange of views on the possible elements of a Ministerial Council Declaration on the Security Implications of the Digital Transformation, and a Ministerial Council Decision on Human Capital Development. We are grateful for your positive and comprehensive feedback. We

will reflect on your ideas and suggestions as we take forward our work in the coming weeks.

- Furthermore, I would like to express the Chairmanship's interest in also exploring ways to further engage the OSCE in the environmental domains. This would certainly complement our potential package of deliverables. In this regard, we were pleased to hear the positive feedback expressed by some participating States towards the proposal advanced by the French Delegation during the Way to Milan Session. The Chairmanship stands ready to support France to reach consensus on this important topic over the next few months.

Dear colleagues,

- the Forum does not mark the end of the Chairmanship work in the second dimension. In addition to the second “ad hoc” meeting on the impact of digital transformation (10 October, Vienna), there will be the Economic and Environmental Dimension Implementation Meeting (EEDIM) on 15 and 16 October in Vienna. EEDIM will give us another chance to evaluate the work we have done so far, focusing in particular on the implementation of OSCE commitments in the field of energy. Finally, I would like to make special mention of the

conference being organised by the OSCE's first-ever Special Representative on Combatting Corruption, Professor Paola Severino, on "the fight against transnational corruption in the digital era" which will be held in Rome on 12 November. This reflects the particular importance the Italian Chairmanship attaches to the fight against corruption, and our belief that comprehensive and coordinated action is needed in the framework of multilateral co-operation, including the OSCE's Second Dimension.

- To conclude, I would once again like to thank all the delegations for their active involvement in this year's Economic and Environmental Forum process.
- The Italian Chairmanship is looking forward to working with you on a productive and successful Ministerial Council in Milan and is counting on your support.
- Looking ahead to 2019, I am especially pleased to see that the incoming Chairmanship have decided to continue with the topic of digital transformation which will thus remain high on the Second Dimension's agenda. Dear Amb. Bohac, we wish you the best of luck for the next year.

Thank you for listening.