BALANCING BY CROSS-LINKING

RENEWED DIALOGUE ON THE OSCE ECONOMIC AND ENVIRONMENTAL DIMENSION

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“One needs integrated action reaching into neighbouring baskets.”

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Executive Summary

This paper aims to contribute to current thinking about the future orientation of the OSCE Economic and Environmental Dimension (EED). It recapitulates the course taken by second-dimension talks since the reform discussions of 2005/06 and reflects current debates within the Corfu Process and the OSCE Economic and Environmental Committee. It considers relevant documents adopted by the OSCE since Maastricht 2003 and tries to summarize national positions and the views of OSCE experts at headquarters and in the field. The paper takes up earlier research performed by CORE and published as “Building Co-operation between OSCE Field Missions and Partner Institutions in the Economic and Environmental Dimension” (Working Paper 11, 2002). It summarizes interviews conducted with some three dozen OSCE representatives and members of national delegations to the OSCE in Vienna in May and June 2010.

Background

In Athens in 2009, the OSCE participating States stressed the need “to streamline and improve the effectiveness of the OSCE’s work in the economic and environmental dimension” and tasked the Permanent Council “with identifying and adopting, by the end of 2010, appropriate measures” (MC.DEC/4/09).

With the launch of the Corfu Process in 2009, the OSCE participating States resumed their dialogue on the overall future of European security. While this has improved the political atmosphere between them, most of the issues addressed so far – including economic and environmental matters – have been of second- or third-rate relevance. The obvious exception is conventional arms control. “Economic and environmental challenges” is one of the eight items the Kazakh OSCE Chairmanship has placed on the Corfu agenda as a topic for dialogue (CIO.GAL/13/10). This is clearly not because of the paramount significance of the OSCE Economic and Environmental Dimension, but due to the OSCE’s traditional common, comprehensive, and co-operative security approach.

Discussions within the Corfu Process

Discussions within the Corfu Process and the specialized Economic and Environmental Committee in 2009 and 2010 have revealed once again that there is no clear vision regarding the future development of the EED. Nonetheless, the participating States have collectively formulated thirteen objectives and fifteen (albeit quite heterogeneous) recommendations, as compiled in the Verbeek Report (CIO.GAL/97/09, July 2009) and several subsequent documents (e.g. PC.DEL/295/10). Impressive numbers of national and collective food-for-thought papers reflect an encouraging attitude on the part of most participating States towards the second dimension. This is the case despite the fact that substantive economic and environmental issues (natural resources, energy security, nuclear security, global financial relations) are regulated bilaterally or by specialized international organizations rather than by the OSCE.

At their technical core, the economic and environmental security issues that are currently being discussed have to do with the velocity, multidimensionality and intrusiveness of globalising economic exchange and technological change, and the growing exposure of national economies to economic shocks, financial turbulence, technological, urban or ecological disasters or terrorist acts. These overarching topics were summarized at Maastricht in 2003 in the OSCE Strategy Document for the Economic and Environmental Dimension and the OSCE Strategy to Address Threats to Security and Stability in the Twenty-First Century (both MC.DOC/1/03). At their political core, they represent old and new threats and challenges that are largely caused and/or aggravated by the renewed division of Europe. Discussions of these issues represent another attempt to reconfirm the connectedness of basic European values such as democracy, the rule of law and human rights with the concepts of economic freedom and environmental sustainability, as affirmed in the Bonn Document (1990).

Economic and environmental activities are obviously not one-dimensional, as was made clear in the two Maastricht documents (2003). On the contrary, as part of the OSCE’s overall activity, they are integrated with first- and third-dimension issues. This points to possible features of a future OSCE Economic and Environmental Dimension.

Balancing the three dimensions of the OSCE – as some delegations propose – could in this sense mean engaging more in the economic and environmental aspects of those topics that traditionally fall rather under the competence of the politico-military and human dimensions. For the future, this implies closer conceptual co-operation between the Coordinator of OSCE Economic and Environmental
Activities (CEEA) and the other structures and institutions of the OSCE.

Line of Argument

The key arguments of this paper are developed as follows: To identify the future fields of OSCE economic and environmental action (MC.DEC/4/09), they have to be seen in a common context with broader efforts to address transnational threats and challenges (MC.DEC/2/09). Today, therefore, economic and environmental security matters need to be tackled not only directly, but also via action in adjacent fields. This is not necessarily about the externalization of economic and environmental activities in the first and third dimension. It is more about conceptualizing the economic and environmental substance of matters outside the CEEA’s original field of competence.

This calls for cross-dimensional action as well as expanding internal OSCE inter-office co-operation. Yet existing links between the OSCE’s EED activities and other working fields are rather weak, both on paper and in practice. At present, the OSCE has no systematic approach to acting cross-dimensionally.

Apart from its key message on cross-dimensional action, this paper pays attention to two further lines of discussion. Some delegations have proposed that the OSCE should concentrate its economic and environmental activities on a number of selected problems. This attitude appears to contradict the OSCE’s traditional broad, all-inclusive approach to security. A clear decision in this regard is needed. Another issue is the support by a number of participating States for the idea of developing the OSCE’s early warning functions in the second dimension. This plays an important role in the Corfu dialogue and should therefore be considered seriously.

Recommendations

The paper ends with the following seven recommendations:

1) Broadening the Context of the Second Dimension. It is proposed that the OSCE’s conception of the second dimension be broadened so that it is not only anchored in the OSCE Strategy Document for the Economic and Environmental Dimension (Maastricht, MC.DOC/1/03), but also in the broader context of the OSCE Strategy to Address Threats to Security and Stability in the Twenty-First Century (Maastricht, MC.DOC/1/03).

2) Balancing through Cross-Linking Action. A Seminar on the Future Orientation of the Economic and Environmental Dimension: Expanding into Cross-Dimensional Issues would help participating States come to a collective understanding of this subject.

3) Rethinking the Secretariat’s Second Dimension. Supporters argue that upgrading the CEEA’s protocolary status from a pure service provider would promote the standing of second-dimension issues as a whole and would be a profound response to those who urge more balance between the three OSCE dimensions. This would also enable the CEEA to play a role in OSCE crisis management that many sides want to have enhanced, namely in sensitive economic and environmental situations. On the other hand, there is a strong argument for not upgrading the status of the CEEA, as creating another politically autonomous institution would further complicate the overall management of OSCE affairs in the Secretariat. According to this argument, it would be better to improve the CEEA’s links with the CPC and possibly with a new Directorate on Transnational Threats. A principal decision in this regard is needed.

4) Considering Early Warning in the Second Dimension. It is recommended that the OSCE, as a matter of priority, should establish an early-warning capacity related to intra- and inter-state conflicts as well as transnational threats, including their second-dimension aspects.

5) Providing Rule-of-Law Assistance in the Second Dimension. It is proposed that subjects and formats of rule-of-law assistance in the OSCE second dimension be discussed.

6) Maintaining Second Dimension Commitments while Fighting Terrorism and Handling Global Crises. It is recommended that protecting OSCE second-dimension commitments in the fight against terrorism and the handling of global financial and economic crises be discussed.

7) Ensuring Freedom of Movement in the OSCE Space. It is recommended that, following a Russian proposal, a special seminar be dedicated to ensuring freedom of movement in the OSCE space.

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1 Framing European Security: Corfu Process and OSCE Summit

On 17 July 2010, the informal OSCE Ministerial Council (MC) meeting in Almaty reached a consensus to convene an OSCE Summit meeting in Astana before the end of 2010. This marks an initial high point of a one-and-a-half year discussion on the future of European security – usually called the Corfu Process – that actually started at the 2008 Helsinki MC meeting.

There, at a working lunch, ministers “concentrated on the future of security in Europe, including the recent initiatives presented by Russia and France” and agreed “that the OSCE is the most suitable venue for these discussions.” The intention was to initiate a strategic discussion on the future of European security, and at the same time to create a political space where the proposal of the Russian President Medvedev for a European Security Treaty could be discussed. The “issue of a possible summit” was also addressed, but “there seemed to be certain reluctance at this stage.”

The 2009 Greek Chairmanship took up and further developed this starting position and issued an invitation to an informal MC meeting in June 2009 on the Greek island of Corfu, the first meeting of this kind. In her concluding remarks, the Chairperson-in-Office, the Greek Foreign Minister Bakoyannis noted that ministers “agreed on the need for an open, sustained, wide-ranging and inclusive dialogue on security and concurred that the OSCE is a natural forum to anchor this dialogue” and tasked her “Permanent Representative in Vienna to explore with all participating States ways for a more structured dialogue.” During the months that followed, the Greek Chair organized a series of discussion meetings at ambassadorial level that covered the whole range of the OSCE’s agenda from common norms and principles to arms control, transnational threats, conflict resolution, the human as well as the economic and environmental dimensions.

At that stage, the Corfu process was still just an initiative by the Chairperson, although supported by an informal consensus among the participating States. This changed only at the 2009 Athens MC meeting, where ministers decided “to continue the informal, regular and open dialogue, in the framework of the Corfu Process, through regular informal meetings, at the level of permanent representatives.” The subjects of discussion were the same as in the first round of the Corfu process, from “[i]mplementation of all OSCE norms, principles and commitments”, “early warning, conflict prevention and resolution”, the “arms control and confidence- and security-building regime”, and “[t]ransnational and multidimensional threats and challenges” to “[e]conomic and environmental challenges”, “[h]uman rights and fundamental freedoms, as well as democracy and the rule of law”, “[e]nhancing the OSCE’s effectiveness”, and “[i]nteraction with other organizations and institutions.” The issue of a summit was addressed as follows: “We note with interest its [Kazakhstan’s] proposal to hold an OSCE summit in 2010. We point out that such a high-level meeting would require adequate preparation in terms of substance and modalities.” At that stage, there was no consensus on a summit.

By the end of June 2010, the Kazakh Chair issued a report that gave a detailed overview of the state of the discussion and a wide range of proposals made by the participating States. This report also served as a basis for the decision for the Almaty MC meeting. Summarizing the period from Helsinki 2008 to Almaty 2010, the following conclusions can be drawn:

1) Within the framework of the Corfu Process, the participating States have resumed a serious dialogue on the future of European security. The fact that this is currently the only continuous dialogue on European security issues underlines the quality of the OSCE as an inclusive security organization with a comprehensive and co-operative approach.

2) The Corfu Process has contributed to a significant improvement in the political atmosphere...
and in mutual understanding among participating States. States actively participated in the process and produced a large number of proposals. However, it must also be recognized that the distance between positions taken earlier has not grown shorter.

3) In addition, it has to be admitted that most of the issues addressed within the Corfu Process, are of second- or third-rate relevance. With the exception of conventional arms control, issues of strategic political relevance have not yet been addressed. The summit is a chance to change that.

2 Rethinking Economic and Environmental Activities in the two 2003 Maastricht Strategies

The Economic and Environmental Dimension (EED) has become part of the Corfu Process not because of its specific relevance, but due to the OSCE’s comprehensive policy approach.

No Vision, but a Need to Modernize the OSCE’s Second Dimension

However, one diplomat involved in coordinating current discussions noted that there is no vision at all on the future development of the second dimension. In the opinion of another OSCE representative, discussions in 2009 and 2010 nevertheless reflect an encouraging approach of most participating States to the second dimension.

If there is anything like an idea for the second dimension it is the “vision that was collectively developed in 2009 within the informal Group of Friends on the need for change and on the direction in which the Economic and Environmental Dimension (EED) should develop.” (PC.DEL/295/10) Its substance is formulated in thirteen objectives and fifteen quite heterogeneous recommendations such as “increasing continuity of the OSCE work in the Second Dimension, identifying priorities while keeping the Maastricht Strategy as the basis, making stronger links with security and other OSCE dimensions, upgrading the status of the Coordinator of OSCE Economic and Environmental Activities, introducing some new instruments and methods, improving coordination and synchronizing the annual cycle of work with the Chairmanship year.”

Searching for Objectives

Current discussions inevitably point back to the previous round of OSCE reform discussions in 2005/2006. Summarizing that time, CORE had come to the following unenthusiastic conclusion on key OSCE players’ positions on the second dimension:

“Russian interest in economic and environmental matters continues, but is essentially marginal. […] Washington’s interest in the OSCE’s economic and environmental dimension has been limited since it became clear not only that the forum is unsuited for addressing major economic issues, but also that the EU is not prepared to let it do so. […] The EU tends to block the OSCE from dealing with economic and environmental issues, which are seen as an EU core competency.”

This picture has not changed substantially since then, although many proposals have been submitted by the delegations to re-orient the OSCE EED. Observers argue, however, that even significant subject matters are not likely to fly because of a lack of interest. Others state that there are proposals from EU member countries, but these have not been backed by Brussels. There are, they say, generally no substantial signals from the EU. Some point at a strong tendency of participating States to arrange sensitive issues bilaterally, especially economic ones and particularly when it comes to energy and natural resources. Others point to a political aversion to increasing the visibility of this value-based OSCE and an unwillingness to give it additional second-dimension fuel.

The Basis of the Current Talks: the Two Maastricht Documents 2003

Making economic and environmental activities more effective, intensifying or balancing them with the


10. Ibid.

Organization’s other efforts has always been discussed within the OSCE. The last major approach in this regard took place in 2003 in the form of two conceptually interconnected Ministerial Council decisions:

- OSCE Strategy to Address Threats to Security and Stability in the Twenty-First Century (MC.DOC/1/03, Maastricht 2003)
- OSCE Strategy Document for the Economic and Environmental Dimension (MC.DOC/1/03, Maastricht 2003)

These two documents (here referred to as: the Maastricht Strategy and the Maastricht Economic Strategy) represent the conceptual framework for current talks, although typically it is the Maastricht Economic Strategy that is, first of all, seen as the present-day basic document for the second dimension. The following paragraph elaborates the principal relevance of both documents.

No Longer New: Increased Reliance on Market Forces

The two Maastricht documents have replaced the fairly obsolete Bonn Document (1990) that had reflected the thinking of a brief transitional period. The spirit of Bonn was convergence. The pioneering idea was about an “increased reliance on market forces” throughout Europe.

It was about liberalizing, opening and integrating transitional economies into the international economic and financial system. This notion is now a banality and does not offer any special attractiveness for the second dimension. In this sense, “common objectives set out in the 1990 Bonn Document, such as sustainable economic growth and development, rising standards of living, an improved quality of life, efficient use of economic resources and protection of the environment […] remain pertinent for the years ahead”, as stated in the Maastricht Economic Strategy. But they can hardly give any new impetus for present-day OSCE activities.

Essential Five-Pack: Freedom, Sustainability, Democracy, Rule of Law, Human Rights

The spirit of Bonn was also about a set of five values. It was about linking economic freedom and environmental sustainability to democracy and the “rule of law and equal protection under the law for all, based on respect for human rights”. Bonn connected modern economic thinking to basic European values (democracy, human rights). What else if not shared values could guarantee security in economic and environmental issues in Europe and define the future orientation of the OSCE EED? The two Maastricht documents operate fully on the basis of these values.

Innovative Switch: From Regional Focus to “New Threats and Challenges”

The two Maastricht documents corrected the view that the second dimension lost its strategic relevance with the end of the East-West confrontation. They offered a new understanding by shifting the OSCE’s work from the focus on “economies in transition” to overarching topics summarized under “new threats and challenges”. In this way, those new economic and environmental risks and threats, such as international terrorism, violent extremism, organized crime and drug trafficking or accumulation and uncontrolled spread of small arms and light weapons, that had been addressed earlier in a less systematic way, inter alia, in the OSCE Charter for European Security (Istanbul 1999), now advanced to the centre of attention.

The two Maastricht strategies are Siamese twins. The Maastricht Strategy directs attention to challenges and threats in the economic and environmental dimension deriving from “[g]lobalization, liberalization and technological change [that…] have not benefited all participating States equally, thus contributing in some cases to deepening economic disparities between as well as within States.”


threats in the economic and environmental dimension into a wider framework of fourteen components overall. Among them are classic second-dimension issues as well as issues that touch the second dimension, such as the impact of globalization, liberalization and technological change (5), economic and social disparities, lack of rule of law, weak governance, corruption, poverty and high unemployment (14), environmental degradation, unsustainable use of natural resources, mismanagement of waste and pollution, ecological disasters (14), demographic factors, degradation of health (5), mass expulsions, deterioration of the socio-economic situation and illegal migration resulting from interstate and intrastate conflict (9), the social and economic context in which terrorism occurs (10), organized crime such as “smuggling of migrants and trafficking in human beings, illicit traffic in narcotic drugs, in small arms and light weapons as well as in sensitive materials and technologies” (11), challenges deriving from open borders and the free movement of persons and goods (11), and problems having roots in the “mobility of migrant populations and the emergence of societies with many coexisting cultures” (13).

The Maastricht Economic Strategy represents a more detailed economic and environmental chapter of the Maastricht Strategy. Apart from addressing the issues mentioned above, it summarizes new key elements for the OSCE’s future economic and environmental thinking.

At their technical core, issues addressed in the Economic Strategy have to do with the velocity, multi-dimensionality and intrusiveness of globalising exchange and technological change. They are about the “growing openness of national economies and their greater exposure to external economic shocks and financial turbulence” (1.4) and the exposure to phenomena such as technological, urban or “[e]cological disasters resulting from natural causes, economic activities or terrorist acts” (1.7).

At their political core, they address old and new threats and challenges largely caused and/or aggravated by the renewed divide of Europe. Unfortunately, the situation is not as benign as was painted by the participating States in Istanbul (1999): “We have put Europe’s old divisions behind us, but new risks and challenges have emerged.” However, the “vision of a free, democratic and more integrated OSCE area […] free of dividing lines and zones with different levels of security remains a common goal” (MC.DOC/1/09).

**Innovative Practice: Cross-Dimensional Action**

Accelerated by globalization and technological change, the emergence of cross-cutting instabilities requires addressing economic and environmental threats and challenges in their genuine contexts including in non-economic fields, such as the politico-military and the human dimensions.

As part of the OSCE’s overall performance, second-dimension activities have acquired a new integrated design since the late 1990s. They reach into the first dimension by addressing economic concerns of national minorities, providing cleanups of explosive remnants of war, arranging the disposal or safe storage of stockpiles of conventional ammunition, explosive material and detonating devices or recycling toxic and volatile rocket fuel (melange projects). They also reach out into classic third-dimension issues such as assisting the fight against corruption, advancing good governance, promoting public administration reform, as well as public participation in decision-making and access to justice in environmental matters (Århus Convention).

**Innovative Mindset: Balancing through a Cross-Dimensional Approach**

This trend gives a valuable hint for the future orientation of the EED. Balancing the three dimensions of the OSCE – as some delegations propose – means engaging more in the economic and environmental aspects of those topics that traditionally fall rather under the competence of the politico-military and the human dimensions. For the future, this implies closer conceptual co-operation between the Coordinator of OSCE Economic and Environmental Activities (CEEA) and the other structures and institutions of the OSCE.

This corresponds with the findings of the Maastricht Strategy that states:

18. Ibid, pt. 3 - 16.
19. Ibid.
“Threats to security and stability in the OSCE region are today more likely to arise as negative, destabilizing consequences of developments that cut across the politico-military, economic and environmental and human dimensions than from any major armed conflict.”

The Finish Chairmanship proposed in 2008, when nourishing the current round of discussions with a Food-for-Thought Paper, that “[i]ssues of a cross-dimensional nature could also be addressed with a view to improving the coherence of the OSCE’s work.” In this respect, the existing links between the OSCE’s EED activities and other working fields are, indeed, rather weak, both on paper and structurally.

Apart from new threats and challenges, integrated action across the three dimensions is also needed with a view to the interconnectedness of classic interstate and intrastate conflicts and transnational phenomena such as “terrorism, proliferation of weapons of mass destruction, excessive and destabilizing accumulation and uncontrolled spread of SALWs, human rights violations, mass expulsions, deterioration of the socio-economic situation and illegal migration” that all have clear economic and environmental grounds or connotations. Accordingly, cross-cutting or (now also) “cross-tick” action is surely the key for the future orientation of the OSCE’s second dimension.

3 Rethinking the Second Dimension’s Future Orientation

The following paragraphs give a brief overview of the accumulation of economic topics since Maastricht 2003 as well as on the development of the EED discussion from 2003 up to the present.

3.1 Summarizing Topics after Maastricht 2003

The OSCE has identified co-operation as the main kind of engagement for ensuring economic and environmental security. “Economic cooperation remains an essential element of the OSCE”, states the Maastricht Economic Strategy.

A closer look shows that the areas of co-operation singled out here, such as cooperation on global and regional integration, trade and access to markets, finance, investment promotion, business development including encouragement of small and medium-sized enterprises and corporate governance promotion, strengthening good governance, promoting transparency and combating corruption, improving the management of public resources, transport, energy, communication, education, science and technology, environmental protection and sustainable development, are situated by their technical substance fairly well outside of the core competence of the OSCE.

The OSCE is designed to deliver the political substance of rather technical issues. Its role is about enhancing dialogue, reviewing commitments and providing advice and assistance as well as mobilizing the engagement of other international organizations.

In its decisions since Maastricht 2003, the OSCE has done so by addressing numerous issues of security relevance in economic and environmental areas that are mainly reflected in the following documents:

- Decision on improving the efficiency and effectiveness of the Economic Forum (MC.DEC/10/04), Sofia 2004;
- Report of the Chairman of the Open-Ended Group of Friends of the Chair on Enhancement of the OSCE Economic and Environmental Dimension (PC.DEL/437/05);
- Report of the Chairperson of the Economic and Environmental Sub-committee of the Permanent Council on Enhancement of the OSCE Economic and Environmental Dimension, in Particular Focussing on Issues of Further Improvement of the Efficiency and Effectiveness of the Economic Forum (CIO.GAL/87/05);
- Common Responsibility. Commitments and Implementation. ODIHR Report submitted to the OSCE Ministerial Council in response to MC

27. Ibid.
28. Ibid, para. Enhancing the role of the OSCE.
Decision No. 17/05 on Strengthening the Effectiveness of the OSCE, Warsaw, 10 November 2006;
• Decision on the OSCE Senior Council (MC.DEC/4/06), Brussels 200629;
• Decision on improvement of the consultative process (MC.DEC/17/06), Brussels 2006;
• Decision on strengthening the effectiveness of the OSCE (MC.DEC/19/06), Brussels 2006;
• Spanish Chairmanship, OSCE Action Plan on the Threats and Opportunities in the Area of Environment and Security (MC.GAL/0008/07), Madrid 2007;
• Madrid Declaration on Environment and Security (MC.DOC/4/07), Madrid 2007;
• Finnish CiO Food for Thought on Future Orientation of the Economic and Environmental Dimension (CIO.GAL/153/08), 9 October 2008;
• Greek Chairmanship’s report on the future orientation of the Second Dimension, prepared by the Chairman of the informal Group of Friends (“Verbeek Report”) (CIO.GAL/97/09), 28 July 2009;
• Ministerial Declaration on the OSCE Corfu Process: Reconfirm-Review-Reinvigorate Security and Co-operation from Vancouver to Vladivostok (MC.DOC/1/09), Athens 2009;
• Decision on Furthering the Corfu Process (MC.DEC/1/09), Athens 2009;
• Decision on Further OSCE Efforts to Address Transnational Threats and Challenges to Security and Stability (MC.DEC/2/09), Athens 200930;

A number of OSCE decisions adopted since Maastricht 2003 have addressed issues more or less directly affecting the second dimension. These issues fall partly under the duties of the CEEA or are covered by other specialized units. A rather incomplete compilation of respective topics includes:

- corruption (MC.DEC/11/04);
- migration (MC.DEC/2/05, MC.DEC/5/09);
- energy security (MC.DEC/12/06, MC.DEC/6/09), Chernobyl (MC.DOC/3/05);
- transport (MC.DEC/11/06);
- trafficking in human beings (MC.DEC/2/03, MC.DEC/13/04, MC.DEC/13/05, MC.DEC/3/06, MC.DEC/14/06, MC.DEC/3/07);
- transnational organized crime (MC.DEC/3/05, MC.DEC/5/06);
- container security (MC.DEC/9/04, MC.DEC/6/05).

Under this category of topics may also fall

- border security and management (MC.DOC/2/05);
- counter terrorism (MC.DEC/4/05, MC.DEC/5/07, MC.DEC/6/0731, MC.DEC/10/08, MC.DEC/3/09);
- illicit drugs (MC.DEC/5/05);
- Afghanistan (MC.DEC/4/0732).

Relevant topics referring to politico-military and minority issues include for example

- Roma and Sinti (MC.DEC/3/03, MC.DEC/6/08, MC.DEC/8/09);
- man-portable air defense systems (MC.DEC/8/03, MC.DEC/8/04);
- stockpiles of conventional ammunition (MC.DEC/9/03, MC.DEC/5/04, MC.DEC/8/05, MC.DEC/11/08, MC.DEC/15/09);
- small arms and light weapons (MC.DEC/6/04, MC.DEC/7/04, MC.DEC/8/05, MC.DEC/8/06, MC.DEC/9/06, MC.DEC/11/08, MC.DEC/15/09);
- Forum for Security Co-operation (MC.DEC/3/0733, MC.DEC/16/0934);

29. OSCE Ministerial Council Decision on the OSCE Senior Council (MC.DEC/4/06; Brussels 2006) which abolished the OSCE Senior Council, initially established by the Charter of Paris (1990) as the Committee of Senior Officials (CSO).
30. This decision refers inter alia to the interconnectedness of “interstate and intrastate conflicts” and “terrorism, proliferation of weapons of mass destruction, excessive and destabilizing accumulation and uncontrolled spread of SALWs, human rights violations, mass expulsions, deterioration of the socio-economic situation and illegal migration” and other economic and environmental factors. It raises the issues of “illegal migration, good governance, transport, energy security, and security implications of environmental challenges”.
31. This decision addresses protecting critical energy infrastructure from terrorist attack.
32. This decision touches upon prospects for cooperation in the areas of border security and management, policing and the fight against drug trafficking.
33. This decision inter alia touches upon illicit trafficking of small arms and light weapons, stockpiles of conventional ammunition and nuclear terrorism.
34. This decision refers inter alia to non-proliferation of nuclear, chemical and biological weapons of mass destruction as well as nuclear disarmament according to UNSCR 1540 (2004), UNSCR 1673(2006) and UNSCR 1810 (2008) and UNSCR 1887 (2009) respectively.
• UN SC resolution 1540 (2004) (MC.DEC/7/05, MC.DEC/10/06). Among human dimension issues are subjects such as:
  • gender equality (MC.DEC/14/04);
  • women in conflict prevention, crisis management and post-conflict rehabilitation (MC.DEC/14/05);
  • women’s participation in political and public life, (MC.DEC/7/09);
  • tolerance and non-discrimination (MC.DEC/13/06);
  • sexual exploitation of children (MC.DEC/15/06).

The rule of law (MC.DEC/7/08) is a universal, cross-cutting subject that is thematically integrated into the OSCE human dimension and falls structurally under the institutional competence of ODIHR. For the second, as for the other OSCE dimensions, rule-of-law assistance is certainly a future key tool for cooperation.  

The Economic and Environmental Forums, which have been conducted since Maastricht 2003, have covered a series of expert topics favored by the Chairmanships. They have ranged from good governance at border crossings and land transportation security, through migration management, maritime and inland waterways, environmental security and sustainable development, transportation networks and transport development, to demographic trends, migration and the integration of national minorities and institutional and human capacity for economic development and co-operation.  

3.2 Recapitulating Discussions from 2003 until now


After Maastricht 2003, the discussion on enhancing activities in the EED was led within an Informal Working Group that was set up during the OSCE reform discussions in 2005. Its results led to amendments of the OSCE Economic Forum procedures, the introduction of a cycle of preparatory seminars and the Forum’s split into two main parts conducted in Vienna and Prague. In 2006, the Forum was downgraded from a Senior Council to a regular event on the OSCE annual calendar. At the organizational level, the present committee structure, which includes the Economic and Environmental Committee and replaced the preceding subcommittees for improving consultations and decision-making, was established.  

Conceptually, the essence of collective thinking on the second dimension at that point was summed up by the OSCE Panel of Eminent Persons in its Final Report (June 2005) that stated “that the OSCE should give priority to […] g) Encouraging regional economic co-operation” and added the famous statement:

“The OSCE will never have the means and resources to be a major donor. Its niche is in addressing economic and environmental aspects of security in a holistic, cross-dimensional way that takes into account the comprehensive nature of security as a way of promoting co-operation and conflict prevention.”  

Dangerous: Retrograde Developments

For different reasons and as a universal tendency east and west of Vienna, there has been a gradual relapse in the economic behaviour of governments. A return of governments to restrictive economic policies has been observed in some Eastern parts of the continent for a longer period. However, the governments’ renouncing of laissez-faire economics in exchange for direct bureaucratic interventions in companies and markets is also emerging in various Western states.  

To address transnational threats such as terrorism or to avert the danger of a global financial and economic collapse, property rights and economic liberty as well as environmental and social responsibility are being curbed. Increasingly, governments interfere in crucial economic affairs by taking, they argue,
preventive and corrective actions. They buy out endangered companies and even nationalize commercial banks. They intervene massively in the markets.

Particularly in the context of the war against terrorism a trend towards limiting human and civil rights and freedoms can be observed. This touches upon economic and environmental matters, i.e. when access to information is restricted, the privacy of correspondence, post and telecommunications or banking confidentiality are violated. With relevance for the OSCE second dimension, these developments not only curb individual freedoms and entrepreneurial liberties, but also the liberalizing, opening and integrating idea of the Bonn and Maastricht documents in general.

Ambiguous: Continuity of Discussion, Modesty in Substance

Discussions on the second dimension after the two Maastricht documents showed continuity, but did not go very much into substance. They resumed during the Bulgarian Chairmanship (2004), where arrangements were made to “work on enhancement of the OSCE economic and environmental dimension and to periodically review the progress achieved […] and to submit a report] on issues of further improvement of the efficiency and effectiveness of the Economic Forum” (MC.DEC/10/04, December 2004). The debate was continued within an Informal Group of Friends of the Chair on Enhancement of the OSCE Economic and Environmental Dimension (IGOF-EED) arranged by the Slovenian Chairmanship (2005). This Group elaborated detailed suggestions for a working schedule for Chairmanships and the Office of the Coordinator of OSCE Economic and Environmental Activities (OCEEA) plus proposals on the annual cycle of the Economic and Environmental Forum that were partially implemented later on, as mentioned above.

Considerations on improving the general consultative process within the Organization led to the aforementioned establishment of the three-committee structure with the Economic and Environmental Committee during the Belgium Chairmanship (2006). It is worth noting that already at that time one of its tasks was seen as considering “cross-dimensional issues with a particular connection to economic and environmental aspects of security”.

Connecting environment and security was a main concern during the Spanish Chairmanship (2007). A corresponding Ministerial Council Declaration was adopted; a proposal of an action plan on the threats and opportunities in the area of environment and security elaborated by the Spanish Chairmanship was taken into consideration.

Encouraging: Finnish Relaunch of Concise Talk


While one of the Finnish intentions was to initiate “streamlining activities and assigning priority to a smaller number of areas of work”, a key message was clearly to remind participating States about rethinking the “[g]eneral criteria for defining the focus of work in the EED”:

“It is essential that the activities have an explicit link with the OSCE mandate (security and conflict prevention and post-conflict rehabilitation) and that the work also be coordinated with the efforts of other international organizations in order to avoid unnecessary duplication.”

To this purpose it might be remembered that CORE had argued in an earlier paper for defining the key criteria for OSCE EED engagement as follows: (a)

42. OSCE Ministerial Council Decision on improvement of the consultative process (MC.DEC/17/06), Brussels 2006.
43. Ibid.
45. Permanent Mission of Finland to the OSCE, CIO Food for Thought on Future Orientation of the Economic and Environmental Dimension (CIO.GAL/153/08), 9 October 2008.
46. Ibid.
the security-relevance of specific issues (primary criterion); (b) the utilization of activities for political awareness-raising; (c) prospects for the international division of labor; (d) engagement and capacities of OSCE partner organizations; (e) prospects for shifting efforts into the hands of partners; (f) particular requests of host governments, NGOs and other national partners; (g) utilization of specific activities for improving public reputation and visibility of national partner organizations and persons of public interest (multipliers). These partners and multipliers – the very target groups of OSCE activity – are necessarily the governments of the participating States (their delegation members in Vienna and MFA representatives above all), regional organizations, specialized international organizations, civil society institutions and other non-state actors, national and other minorities and groups of security relevance.48

Informal Thinking: The Group of Friends’ 13 Objectives and 15 Recommendations

The renowned Verbeek Report (CIO.GAL/97/09, July 2009), elaborated by the Informal and Open-Ended Group of Friends (IGOF) during the Greek Chairmanship 2009, explored the options for strengthening the OSCE’s EED. The report compiled thirteen objectives and fifteen recommendations. In brief, these provide for (1) effective implementation, monitoring and review of the Maastricht Strategy; (2) more continuity; (3) focus on core themes such as energy security, environment and security, the global financial crisis, good governance, migration and transport; (4) focusing the EE Forum on these core themes; (5) adjusting the EED annual work cycle to the CIO’s tenure; (6) appointing a Chef de File and a Rapporteur for each core issue; (7) focusing on security aspects; (8) linking the EED to the other OSCE dimensions; (9) considering recent developments; (10) using the EED as CBM; (11) appointing a Special Representative and/or Personal Representatives; (12) coordinating the EED through the Secretariat, EE Officers and the Delegations; (13) a more integrated second-dimension and EE Forum program including an Annual Meeting of the Economic and Environmental Dimension (AMEED).49

Parallel Discussions: Corfu and the Second Committee

The discussions on economic and environmental issues got another formal starting point in Athens 2009 where participating States stated with a view to the Corfu Process that contemporary “security challenges, further accentuated by the ongoing international financial and economic crisis, should be tackled with a renewed commitment to achieve results through multilateral dialogue and co-operation […] with the highest priority] to re-establish our trust and confidence” (MC.DOC/1/09).50

Within the Corfu context, the tick on “Economic and environmental challenges” is number five of eight dialogue issues the Kazakh Chairmanship had placed on the agenda of the first series of informal ambassadorial meetings in 2010 (CIO.GAL/13/10). Among the other dialogue issues, various items are of potential relevance for the second dimension; possible linkages between them were not specified conceptually.51

In Athens 2009, participating States also decided to continue discussions within the Economic and Environmental Committee stressing the need “to streamline and improve the effectiveness of the OSCE’s work in the economic and environmental dimension” and tasking the Permanent Council “with


51. The complete list of dialogue issues for the first half of 2010 included OSCE conflict management (best practices, instruments/procedures, new mechanisms; national minorities, CSBMs): transnational and multidimensional threats and challenges; (linkages between terrorism, organized crime and trafficking; border security and management; cyber security); human rights and fundamental freedoms, democracy and the rule of law; arms control and confidence- and security-building regimes (including the Vienna Document 1999); Euro-Atlantic security (including cross-dimensional issues, Panel of Eminent Persons’ recommendations, Platform for Co-operative Security). See: Permanent Mission of the Republic of Kazakhstan to the OSCE, Indicative List of Topics and Schedule for the informal Corfu meetings at Ambassadorial level in the first half of 2010 (CIO.GAL/13/10), 3 February 2010.
identifying and adopting, by the end of 2010, appropriate measures to implement recommendations contained in the [Verbeek Report] (MC.DEC/4/09). 52

During the Kazakh Chairmanship in 2010, Corfu discussions on the so-called tick on “economic and environmental challenges” as well as the work of the Economic and Environmental Committee were conducted in parallel. The agendas of Corfu and of the Committee do not replace, but rather complement each other. They were bundled in the hands of the head of the Belarusian Delegation, Ambassador Alyaksandr Sychov, who chaired both formats at the same time. The Perception Paper he circulated in his capacity as the Chairman of the Economic and Environmental Committee (PC.DEL/295/10) included the aforementioned recommendations of the Verbeek Report that were conceptually understood to be implemented in the context of the Corfu Process. 53

Observers comment that there is a positive will among a number of delegations to broaden second dimension activities. It could be taken as a promising sign that they are strongly engaged in disseminating detailed proposals and food-for-thought papers. There is disagreement vis-à-vis specific approaches to achieve improvement. In this respect the picture has not fundamentally changed since the reform discussions in 2005 that CORE summarized at the time as follows:

“If anything accords with the interests of all the key actors within the OSCE, it is the desire to address the broad range of new […] threats and risks that either directly (terrorism, organized crime, trafficking), or indirectly (e.g. demographic developments, migration, economic disparities) undermine European stability. While all the major players agree on the high priority of these issues, there is less accord on concrete strategies and actions.” 54

4 Adjusting the OSCE Second Dimension

Delegations in Vienna are still split or hesitant on the second dimension as such, which some take seriously and some see rather as a sideshow or a secondary theatre of security talks. Motivations pro and con range from seeking more impact through staying flexible to remaining low-profile. There is a certain propensity to losing the overall perspective in the increasing numbers of papers and proposals circulated. There is some feeling that discussions on European security within the Corfu Process are about to disintegrate into nit-picking debates.

As before, there is a fair level of agreement among delegations on the need to outline the second dimension’s added value and expand relevant activities while avoiding duplicating the work of other international organizations. (The old formula of the Platform for Co-operative Security) In their Corfu brainstorming, they identified the key shortcoming of the second dimension stating that it

“was seen to have the least developed mechanisms and structures for supporting and reviewing the implementation of OSCE norms, principles and commitments.” 55

Shortcomings lie also in the scattering and disconnectedness of topics and action that stipulate “…streamline[ing] activities and bring[ing] greater continuity to work in this dimension.” 56 This is despite the fact that the key comparative advantages of the OSCE have always been seen in its field presences and the consensus character of the organization giving it the capability of providing full-cycle conflict management in an inclusive way.

4.1 Identifying Fields of Action

In Athens it was decided to focus the dialogue within the Corfu Process on the aforementioned eight main directions with economic and environmental challenges being one of them. Relevant for the second dimension were also issues belonging primarily to early warning, conflict prevention and resolution, crisis management and post-conflict rehabilitation.


56. Ibid.
trans-national and multidimensional threats and challenges (MC.DEC/1/09).  

In Athens, departing from the OSCE Strategy to Address Threats to Security and Stability in the Twenty-First Century and the OSCE Strategy Document for the Economic and Environmental Dimension (MC.DOC/1/03, Maastricht 2003), participating States adopted:

1) Decision on Further OSCE Efforts to Address Transnational Threats and Challenges to Security and Stability (MC.DEC/2/09), Athens 2009;

The subject matters of the two documents are not necessarily perceived as being directly connected with each other, although they are in the same relationship as the Maastricht Strategy and the Maastricht Economic Strategy.

The Kazakh Chairmanship’s Interim Report (CIO.GAL/117/10) and a report of the Secretary General on the Implementation of MC.DEC/2/09 on Transnational Threats and Challenges (SEC.GAL/107/10) give an overview of the Delegations’ current thinking about priority areas, action formats and structural change in the second dimension and adjacent fields.

4.1.1 Prioritizing While Staying Broad-Based?
The Interim Report of the Kazakh Chairmanship (CIO.GAL/117/10) shows that delegations have headed for a contradictory middle way towards the second dimension’s future orientation. In their wording they strive for “identifying priorities (core themes) while keeping the Maastricht OSCE Strategy Document for Economic and Environmental Dimension as a broad basis”.

Prioritizing and staying broad-based at the same time is certainly a complicated formula. Focusing the second dimension’s agenda on selected topics necessarily suggests revisiting them in a regular way rather than removing topics from the agenda.

The Chairmanship’s Interim Report (CIO.GAL/117/10) itself proposes the five priority areas “energy security, migration management, transport security, good governance and transparency, the nexus between environment and security, including water management and security implications of climate change” for further action in the second dimension.

The Secretary-General’s Report on Transnational Threats and Challenges (SEC.GAL/107/10) that has substantial significance for the second dimension points in a similar direction by also focusing OSCE work on five priority areas, namely on “preventing and combating terrorism, fighting organized crime, promoting cyber security, addressing threats stemming from Afghanistan and preventing proliferation of WMD in the context of UNSCR 1540”. These areas also have tasks and challenges for second-dimension action.

In a different approach, the CEEA gives a broader spectrum of current activities and matters of concern, namely good governance; combating different forms of criminality; participation of civil society; international economic co-operation; sustainable economic development; extractive industries transparency initiative; international labor migration; migration and smuggling of migrants; economic

58. This decision refers inter alia to the interconnectedness of “interstate and intrastate conflicts” and “terrorism, proliferation of weapons of mass destruction, excessive and destabilizing accumulation and uncontrolled spread of SALWs, human rights violations, mass expulsions, deterioration of the socio-economic situation and illegal migration” and other economic and environmental factors. It raises the issues of “illegal migration, good governance, transport, energy security, and security implications of environmental challenges”.
development programs for Afghanistan; scientific and technological achievements; energy security; climate change – prediction, prevention and promotion. Multi-dimensional and cross-dimensional thinking about second-dimension issues are an essential point for the coordinator.63

Generally speaking, it is quite evident that there are two contradictory approaches on the future course of the EED: Whereas the CEEA apparently wants to maintain the traditional broad approach (also supported by a number of delegations, as noted above), the report of the Chair (as well as the one of the Secretary General on transnational threats) pledges to favor a concentration of the EED work on transnational threats as well as crisis prevention and management. Up until now, this contradiction has been covered up by compromise formulas. However, it would be preferable to take a clear decision in one direction or the other.

4.1.2 Balancing through Cross-Linking

Certainly, it was worthwhile stating during the reform discussions in 2005/06 that “to point to an imbalance in the allocation of resources and in the political attention […] risks compartmentalizing the so-called three dimensions […and] has raised the danger of diluting the comprehensive security concept”.64 However, economic and environmental activities are obviously not one-dimensional efforts as has been made clear in the two Maastricht documents (2003).

Today, therefore, economic and environmental security matters need to be tackled not only directly, but also via action in adjacent fields. This stipulates - in the words of the Kazakh Chairmanship - “linking activities in […] the second dimension” more strongly with security and the other dimensions”.65 In essence, this means the second system dimension and environmental activities typically fall under a more comprehensive approach that would also take into account underlying social and economic root-causes.66 Politico-military issues have economic aspects in any case. They produce impacts on the environment, may attract the attention of environmental activists or concerns of the broad public. Human dimension issues play a direct role in economic development and social welfare, at least in the long run.

At this point, there is no overall OSCE approach to acting cross-dimensionally. It is, by and large, only seen in the five selected fields of “countering terrorism, trafficking in narcotics and human beings, organized crime, police training and capacity-building and border security and management”67 Economic and environmental activities typically fall under a different chapter outside the cross-dimensional context.

At secretariat levels, cross-dimensional activities are understood to stand mainly for managerial tasks of making information available and coordinating executive structures. Major thematic areas of cross-dimensional matters include here gender issues, anti-trafficking efforts, counter-terrorism and labor migration (the latter in CEEA competence).68

At field levels, cross-dimensional activities show a scattered picture. Reported projects cover for the most part traditional economic and environmental business such as rural-community planning, young-generation employment, municipal governance (Bosnia and Herzegovina), local and mu-

63. Goran Svilanović, Coordinator of OSCE Economic and Environmental Activities, “Streamlining and improving the effectiveness of the OSCE’s work in the economic and environmental dimension, including through the implementation of MC.DEC/4/09”, Presentation at the meeting on Corfu Process on economic and environmental challenges (SEC.GAL/55/10), 22 March 2010.

64. ODIHR, Common Responsibility Commitments and Implementation, Report submitted to the OSCE Ministerial Council in response to MC Decision No. 17/05 on Strengthening the Effectiveness of the OSCE, pt. 22, Warsaw, 10 November 2006.


68. OSCE Program Budget Performance Report 2009 (PC.ACMF/10/10), 2 March 2010.
municipal authorities’ support (Skopje), business registration, public decision-making on business issues, regional development, environmental education and a regional navigation system (Ukraine), or fighting corruption, training civil servants and improving civil service system monitoring (Yerevan). There are also activities on police reforms and community policing (Bishkek). In most projects, one may presuppose the relevance of human-dimension issues. Only in Ukraine do second-dimension projects on training discharged military personnel and eliminating melange stockpiles reach into politico-military affairs. In addition to this, similar activities of other field operations are categorized in different ways – not as cross-dimensional. Here, defining it is obviously left up to the field officers’ pleasure.69

4.2 Increasing Early-Warning Capacities

A number of participating States support the idea of developing the OSCE’s early warning functions in the second dimension. This played an important role in the Corfu dialogue. The Kazakh Chairmanship’s Interim Report (CIO.GAL/117/10) dedicates a special paragraph to early warning and conflict management inter alia touching upon the area of energy security,70 despite the Organization not actually having analytical and other capacities for substantial economic and environmental observation and forecast.

The crucial question remains whether it is really necessary and – more important – feasible for the OSCE to create early warning systems in the second dimension. Another crucial issue is that participating States should necessarily define OSCE early warning in the second dimension – its substance, objectives and areas.

Classic scepticism about OSCE early warning in the second dimension concerns (a) the scope of what high-profile forecast and early warning requires structurally and financially, (b) other organizations’ existing capacities and (c) the potentially hampering atmospheric impact of issuing warnings on economic issues. In any case, it is open to discussion where this task might be structurally incorporated within OSCE structures and how to give it a positive label.

The Kazakh Chairmanship nonetheless supports “strengthening tools and developing new instruments and action for early warning and action in the economic and environmental dimension” and pledges to develop respective confidence- and security-building measures (Chairmanship’s Interim Report, CIO.GAL/117/10).71 There are delegations proposing non-military confidence-building measures (i.e. economic and environmental measures) in addition to military CSBMs.72 These proposals do not go into further detail.73

The Maastricht Documents on Early Warning

The Maastricht Strategy has argued in favor of paying more attention “to the early warning functions in the Secretariat, institutions and field operations, and follow-up to early warning”. A link was made here between “[s]pecial mechanisms for early warning and peaceful settlement of conflicts as well as the tool of rapid expert assistance and co-operation teams REACT”,74 There was also a respective emphasis in the Maastricht Economic Strategy, where responsibility for OSCE early warning on economic and environmental issues was put in the hands of the Office of the Coordinator:

“As a contribution to OSCE early-warning and conflict-prevention activities, [the OCEEA…] will also, as appropriate, catalogue and monitor economic and environmental challenges and threats to security and stability in the OSCE region, in collaboration with relevant international organizations. The Office will prepare

71. Ibid, para. V. Economic and Environmental Challenges.
72. Permanent Delegations of Belgium, the Netherlands, Romania, Slovakia, Ukraine, United Kingdom, United States of America to the OSCE, Ideas on a civilian operation/mission to improve the OSCE response in post-crisis and post-conflict rehabilitation (PC.DEL/94/10/Rev.2), 6 April 2010.
73. There are some more detailed suggestions in: Permanent Mission of Georgia to the OSCE, Towards a More Resolute OSCE: Strengthening of the OSCE capacities in the field of early warning, conflict prevention and resolution, crisis management and post-conflict rehabilitation Food-for-thought paper developed in the framework of the Corfu Process (PC.DEL/277/10), 20 April 2010.
reports on economic and environmental issues and submit these reports and proposals [...] for further discussion, decisions and actions.”

Early Warning through Analyzing Data and Dispatching Experts

Among the proposals circulated by the delegations, one paper of a group of EU member countries suggests developing an early-warning tool and analysis capacity on economic and environmental threats in the way of using “available data collections (UNECE, IPCC reports, European Environmental Agency, OECD…) on the potential economic and environmental risks to enable the Secretariat to provide an in-depth analysis of these challenges to the participating States”. They point to good experience with “assessment missions on wild-fires and the integrity of energy and water infrastructures”.

The same paper argues for creating “a roster of independent experts in the fields of vitally scarce resources and environmental degradation; dispatch[ing] a team of the above-mentioned experts, according to the provisions of a second dimension dedicated mechanism, to make a fair assessment of the situation in the field and with the purpose of diffusing tensions.”

Early Warning on Energy Security

While not being addressed in the Maastricht Strategy, energy security was highlighted in an entire paragraph of the Maastricht Economic Strategy (2.1.12). Following the decision on Energy Security Dialogue (MC.DEC/12/06, Brussels 2006), the subject has likewise been discussed in numerous special OSCE papers and events. Two special decisions on “Protecting Critical Energy Infrastructure from Terrorist Attacks” (MC.DEC/6/07, Madrid 2007) and “Strengthening Dialogue and Co-Operation on Energy Security in the OSCE Area” (MC.DEC/6/09, Athens 2009) were adopted. The CEEA endeavours to maintain an OSCE energy security dialogue with participating States and specialized international organizations.

A group of EU members suggests creating an Energy Security Early Warning (ESEW) Mechanism. It would include the exchange of information, consultations among participating States, the deployment of an ad hoc fact finding mission of experts from a “List of Energy Security Independent Experts” and reporting to the Chairmanship. A similar proposal argues for establishing various groups of experts on different sectors that would also include energy security, to be convened by the Chairmanship in cases of need or emergency.

The CEEA suggests a five-step energy security early warning mechanism based on risk evaluation, information, consultation, independent experts’ deployment, and reporting to the Chairmanship.

The US sees the OSCE as generally obliged to “facilitate consultations in the case of serious energy or environmental disruption”. It proposes dealing with commitments deriving from the Extractive Industries Transparency Initiative (EITI) and “facilitat[ing] discussion on transparency principles in the production, transit, and consumption of energy resources in the OSCE area”.

Early Warning with Respect to the Impact of Climate Change

During the current discussions, the expansion of OSCE early warning capacities has played a role in relation to the impact of climate change. The then-Finnish Chairmanship had already suggested in 2008:

78. Permanent Delegations of Slovakia, Germany, Poland, Hungary, Czech Republic, Slovenia and United States to the OSCE, Proposal on Energy Security Early Warning (ESEW) Mechanism (PC.DEL/166/10), 18 March 2010.
80. Goran Svilanović, Coordinator of OSCE Economic and Environmental Activities, “Streamlining and improving the effectiveness of the OSCE’s work in the economic and environmental dimension, including through the implementation of MC.DEC/4/09”. Presentation at the meeting on Corfu Process on economic and environmental challenges (SEC.GAL/55/10), 22 March 2010.
“Developing early warning systems (e.g., regular assessments of security implications of climate change in the OSCE region could be presented to participating States, including information on the areas most susceptible to climate change and vulnerable to instability).”

So far, little progress has been made in addressing climate change and its security implications. Some observers comment that this is so because individual major participating States prefer to discuss the issue outside the OSCE. Nevertheless, a group of EU member countries suggests “creating transparency by preparing a report on security implications of climate change in the OSCE area.”

All things considered it must be said that the discussion on EED-related early warning is characterized by considerable confusion. Some ideas would require weighty infrastructures and considerable finances and human resources. At any rate, forecast and early warning require solid preparatory work. Objectives, fields and formats within the Organization’s overall focus should be defined; existing capacities of expert organizations should be assessed.

4.3 Adjusting Structures, Developing Capacities, Streamlining the Calendar

A feasible approach for further adjustment has been summarized by the Kazakh Chairmanship in “linking activities in [...] the second dimension] more strongly with security and the other dimensions, enhancing the role of the Coordinator of OSCE Economic and Environmental Activities, introducing some new elements and methods, improving coordination and synchronizing the annual cycle of work with the Chairmanship year.”

Restructuring the Secretariat

Various sides have occasionally drawn attention to the need to restructure the Secretariat, including the OCEEA. Over the years, several new elements have been added to the Secretariat and other executive structures without giving them a more coherent design. Within the Corfu dialogue consideration has now been given to this under the headline “Reorganize/ restructure the Secretariat in support of the Athens ministerial decision of combating transnational threats.” In this context, it is proposed “that the OSCE executive structures could be strengthened in their early warning analytical and operational capabilities, in mediation support and in their ability to act rapidly and effectively”. Also, “enhanced reporting roles of the executive structures” have been proposed. Suggested as well, was rethinking “measures to build greater coordination and programmatic coherence among the OSCE executive structures, including the institutions and field operations on programmes addressing transnational threats.”

Obviously, these considerations are still evolving. It is time to settle them in a systematic way in the course of making the OSCE a full-fledged organization with a statutory and legal personality. Russia, in particular, has suggestion the notion that “[t]he Corfu Process should primarily result in the creation of a legal foundation of the OSCE on which to build agreement on matters of substance.”

Minor structural amendments were made within the OCEEA in early 2010 that gave it a more concise configuration. What were formerly four units


89. MFA of the Russian Federation, Transcript of Speech by Russian Minister of Foreign Affairs Sergey Lavrov at the 46th Munich Security Conference, February 6, 2010 (SEC.DEL/40/10/Rev.1), 10 February 2010.
have now been amalgamated into the Economic Governance Unit, the Environmental Co-ordination Unit and the Economic and Environmental Forum Unit. This change carries the conceptual message of governance (which gave its name to the earlier fourth separate unit) now being seen as a main prism for looking at OSCE economic and environmental affairs.

Another novelty was the appointment of two CiO Personal Representatives on Transport Issues (Amb. Vitautas Nauduzas) and Environmental Issues (MEP Struan Stevenson). This produced structural problems similar to those with the three Personal Representatives of the Chairman-in-Office on combating discrimination and promoting tolerance. Having no formal link with the OCEEA, they are nonetheless specialized institutions dealing with CEEA key competence fields and are, moreover, mandated to undertake high-level political travelling. This barely strengthens the Coordinator’s standing in the overall picture. Commentators notice the low level of consultation between the Representatives and the Coordinator’s Office.

Finally, the June 2010 report of the Secretary General on Transnational Threats (TNT) proposes the establishment of a “TNT Directorate” which “would consolidate the work of the existing thematic units”. Although the OCEEA is not addressed in this context, a TNT Directorate would have direct implications for this Office. If the work of the OCEEA should be more focused on transnational threats and on conflicts it must be more closely linked both with the CPC and this directorate as well. This, again, would mean that an upgrading of the CEEA to an independent OSCE institution as discussed below would probably be a counter-productive step.

Altogether, we can observe the same contradictions for structural levels that we have already noticed as applied to the OSCE EED agenda: a rather broad approach versus the concentration on some key issues.

**Upgrading the CEEA’s Status**

A number of sides propose upgrading the status of the CEEA who currently has a modest position within OSCE structures. He is not a politically independent institution as is the High Commissioner on National Minorities (HCNM). Neither does he have a status that would allow him to represent the Organization at the political level such as a Representative (FOM), a Special Representative (Combatting Trafficking in Human Beings) or a CiO Personal Representative. Under his current mandate, the CEEA has service and managerial functions, but not a significant political status:

“The Coordinator, acting in support of the Chairman-in-Office, is charged with strengthening the ability of the Permanent Council and the OSCE institutions to address economic, social and environmental aspects of security. […] The Coordinator will work under the direct supervision of the Secretary General.” (PC.DEC/194, November 1997)

Upgrading his status to an independent institution or giving him representative status, so the argument, would not only allow the CEEA to report directly to the Permanent Council. It would also politically upgrade second-dimension issues as a whole and would be a profound response to those who urge more balance between the three OSCE dimensions.

Within the Corfu dialogue, respective proposals got as far as the formula of “strategic reorganization of the Office of Coordinator of OSCE Economic and Environmental Activities, including increasing its capacities in terms of human and financial resources and strengthening its status with regard to other structures of the Secretariat.”

**Increasing the Second Dimension’s Budget and Personnel**

The Coordinator of OSCE Economic and Environmental Activities pledges at the moment to increase the second dimension’s budget and personnel. Given the positive views of many participating States on this position, problems arise against the background of the zero-increase policy of the Organization. This could imply competition over resources with politico-military and human-dimension activities and dependence on extra-budgetary contributions. Basing activities on extra-budgetary contributions entails depending on


a small number of donors which may be seen as a political disadvantage but may also ensure more freedom of decision and operational flexibility in project administration.

Streamlining the Economic and Environmental Calendar

Somewhat streamlining the annual economic and environmental activities of the OSCE was discussed in Vienna. Adapting the working cycle of the Prague Forum to the normal annual calendar of the Organization was suggested. Thus, the first preparatory seminar would be conducted under the given year’s Chairmanship-in-Office, not the one of the previous year. The three preparatory seminars would be reduced to two or even one. Additionally, a proposal has been put forth to establish an Annual Economic and Environmental Security Review Conference similar to the Human Dimension Implementation Meeting (HDIM) or the Annual Security Review Conference (ASRC). This would leave the Prague Forum an event on an annually changing specialized topic, while the Review Conference would be designed for broader security discussions. The Review Conference could be also a place for the CEEA to present his/her annual report to the Organization. Such a scheme would also put the second dimension’s conference activities on the same level as the other two dimensions. Apart from this, conducting an annual meeting of the economic and environmental officers of the CEEA and the field operations has also been proposed.

5 Conclusions and Recommendations

The participating States’ willingness to restart a serious security dialogue in Europe as intended within the Corfu Process is the bottom line for moving the Organization’s economic and environmental activities ahead.

In this context, the OSCE decided to streamline and improve the effectiveness of its second dimension in December 2009 (MC.DEC/4/09). Subsequent brainstorming within the Corfu Process and the Economic and Environmental Committee has now become more open-minded and vigorous than before. Departing from the Verbeek Report’s (CIO.GAL/97/09) recommendations, delegations are submitting individual and collective proposals in impressive numbers. Expectations go beyond those expressed during the OSCE reform debate in 2005/2006. At the same time, skeptics note a declining interest in the OSCE in general and especially its second dimension.

The following seven proposals represent comments on the current discussion on the future orientation of the OSCE Economic and Environmental Dimension:

1. Broadening the Second Dimension’s Context. The OSCE’s second dimension should be perceived in the context of security-relevant economic and environmental aspects of intra- and interstate conflicts as well as of transnational threats and challenges to security. This is a broader understanding of the second dimension than before. Its starting point is the rising velocity, complexity and intrusiveness of a globalizing exchange and technological change that progressively open national economies and make them vulnerable to external economic shocks and financial turbulence or technological, urban and ecological disasters caused by natural phenomena, economic actions or terrorist acts. This is aggravated by deepening economic disparities and competition over natural resources.

It is proposed that the second dimension’s conceptual understanding be broadened in such a way that it is not only anchored in the OSCE Strategy Document for the Economic and Environmental Dimension (Maastricht, MC.DOC/1/03), but also in the broader context of the OSCE Strategy to Address Threats to Security and Stability in the Twenty-First Century (Maastricht, MC.DOC/1/03).

2. Balancing through Cross-Linking Action. One key term of current discussions is again the supposed necessity of reaching a balance between the three dimensions of the OSCE. It is apparent that substantial economic and environmental issues (natural resources, energy security, nuclear security etc.) are regulated bilaterally or by specialized international organizations rather than by the OSCE. It is also clear that the OSCE’s added value lies in addressing security issues politically based on a common, comprehensive and cooperative security approach including the EED. Consequently, the old approach, in which a balance is achieved by adding or taking away something, is conceptually outdated. Today, balancing stands for a cross-dimensional approach. Cross-cutting action must therefore be the central motto for the future orientation of the OSCE second dimension.
First of all, this implies recognizing the economic and environmental context of matters outside the CEEA’s original field of competence. So far, there is only a list of cross-dimensional topics and measures that are relevant for the second dimension, but no shared analytical understanding of the way in which they are linked to the EED.

In the current OSCE understanding, cross-dimensional issues mainly encompass engagement in the five areas of “countering terrorism, trafficking in narcotics and human beings, organized crime, police training and capacity-building and border security and management”\(^{92}\). However, there is no integrated approach to cross-dimensional action in the present OSCE perception and these issues are currently discussed without a systematic connection to economic and environmental issues. Hence, a truly integrated understanding of transnational threats including the EED has still to be elaborated.

A Seminar on the Future Orientation of the Economic and Environmental Dimension: Expanding into Cross-Dimensional Issues would be helpful for coming to a collective understanding of this subject.

3. Rethinking the Secretariat’s Second Dimension. Developing cross-dimensional and cross-office activities in the second dimension necessarily leads to considerations about the structure of the Secretariat and other OSCE executive structures. Within the Corfu Process, related discussions are held under the general headline of “Reorganize/restructure the Secretariat in support of the Athens ministerial decision of combating transnational threats” (CIO.GAL/117/10). This has led to the compromise formula of “strategic reorganization of the Office of Coordinator of OSCE Economic and Environmental Activities, including increasing its capacities in terms of human and financial resources and strengthening its status with regard to other structures of the Secretariat” (CIO.GAL/117/10).

This formulation avoids a decision on whether the CEEA should be upgraded to a full-fledged OSCE institution or whether it should remain an element within the Secretariat mainly focused on addressing the EED aspects of intra- and inter-state conflict as well as transnational threats.

Pro: Supporters argue that upgrading the CEEA’s protocolary status from a pure service provider would promote the standing of second-dimension issues as a whole and would be a profound response to those who urge more balance between the three OSCE dimensions. This would also enable the CEEA to play a role in OSCE crisis management that many sides want to have enhanced, namely in sensitive economic and environmental situations.

Contra: On the other hand, strong arguments for not upgrading the status of the CEEA state that the creation of another politically autonomous institution would additionally complicate the overall management of OSCE affairs in the Secretariat. Instead of this the CEEA should be better interlinked with the CPC and possibly with a new Directorate on Transnational Threats.

4. Considering Early Warning in the Second Dimension. Early warning attracts the special attention of many sides within the Corfu Process (MC.DEC/1/09). The Kazakh Chairmanship’s Interim Report argues for “strengthening tools and developing new instruments for early warning and action in the economic and environmental dimension, including possibly in the area of energy security” and pledges to develop respective confidence- and security-building measures (CIO.GAL/117/10).\(^{93}\)

However, this whole debate is still confused. It is neither clear what kind of early warning the OSCE should be able to provide nor what capacities would be required to implement this task.

It is recommended that the OSCE, as a matter of priority, establish an early-warning capacity related to intra- and interstate conflicts as well as transnational threats including their second-dimension aspects.

5. Providing Rule-of-Law Assistance in the Second Dimension. Providing rule-of-law assistance is a direction of OSCE efforts that attracts substantial interest of many governments.


It is a promising concept for capacity building and value exchange.

*It is therefore proposed that subjects and formats of rule-of-law assistance in the OSCE second dimension be discussed.*

6. Maintaining Second Dimension Commitments while Fighting Terrorism and Handling Global Crises. Within the contexts of fighting terrorism and preventing global financial and economic collapse, governments east and west of Vienna are about to return to restrictive economic policies. Increasingly, governments interfere in crucial economic affairs by taking pre-emptive and corrective actions, as it is argued. They intervene massively in companies and markets. There is a clear trend to limit human and civil rights and freedoms. Property rights and economic liberty such as the free flow of goods, people and information are curbed, the privacy of correspondence, post and telecommunications or banking confidentiality are violated. This undermines the normative acquis of the OSCE in the second dimension.

*It is therefore recommended that protecting OSCE second-dimension commitments in the fight against terrorism and the handling of global financial and economic crises be discussed. Supporters argue that upgrading the CEEA’s protocolary status from a pure service provider would promote the standing of second-dimension issues as a whole and would be a profound response to those who urge more balance between the three OSCE dimensions. This would also enable the CEEA to play a role in OSCE crisis management that many sides want to have enhanced, namely in sensitive economic and environmental situations. Now is a good point in time to take stock of where OSCE is, in the second dimension as well.*

7. Ensuring Freedom of Movement in the OSCE Space. Ensuring freedom of movement in the OSCE space is a favorite topic of the Russian Federation and some other states (SEC.DEL/40/10/Rev.1)3.

*It is therefore recommended that a special seminar be dedicated to ensuring freedom of movement in the OSCE space.*
About the Author

Dr Frank Evers is Deputy Head of the Centre for OSCE Research (CORE). He has taught Russian economic and legal affairs at the Berlin East-European Institute as well as OSCE economic and environmental activities at the OSCE Academy in Bishkek. He has worked for OSCE field operations in various capacities. In 1996, he became Economic Adviser to the OSCE Mission to Ukraine, later becoming Deputy Head of that Mission and Head of the Mission’s Branch Office in Simferopol (Autonomous Republic of Crimea). From 2000 until 2002, he worked as Economic and Environmental Adviser to the OSCE Office in Yerevan (Armenia).

Dr Evers is a generalist in the field of OSCE conflict management in the broadest sense. Regionally, his main concentration is on the East-Slavic and South Caucasus countries, and adjoining regions. Substantively, his research focuses on various components of security-building, including minority issues, inter-confessional relations and economic, social and environmental affairs.
About CORE

The Centre for OSCE Research (CORE), founded in 2000, is the only institute specifically dedicated to research on the OSCE. Located in Hamburg, Germany, within the Institute for Peace Research and Security Policy (IFSH), CORE operates as a politically independent think tank, combining basic research on the evolution of the OSCE with demand-driven capacity-building projects and teaching. Addressing political actors, the academic community and the interested general public in Germany and abroad, CORE strives to contribute to the OSCE’s development with analysis and critique that provide insight into the problems faced by and opportunities open to the Organization. For more information about CORE or this paper, please contact:

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