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**Co-ordinator of OSCE
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Statement
by

Ambassador Vuk Žugić
Co-ordinator of OSCE Economic and Environmental Activities

Mr. Deputy Prime Minister,

Dear Colleagues,

Ladies and Gentlemen,

First of all I would like to thank the Slovak Chairmanship of the OSCE for inviting me to this important event. I think the focus that this initiative puts on promoting information technologies in public administration is very important, also taking into account the discussions that we are witnessing at the OSCE. It is of utmost importance for the public sector to stay abreast of technological developments, and we have seen some substantial discussions on this issue taking place between participating States recently.

But let me first give you a bit of background on the Organization for Security and Cooperation in Europe, so that you can better understand why we are having these discussions. We are the largest regional security organization in the world, where 57 participating States decide by consensus on the joint commitments. We are perhaps most well-known for our monitoring missions, our involvement throughout the whole conflict cycle, from conflict prevention to post-conflict rehabilitation, or for our elections' observation.

The mandates given to us by the participating States are implemented by the Secretariat, based in Vienna, but also by 16 Field Operations, located in 15 of our participating States, and by three independent institutions.

From the Organization's birth in 1975, we have looked at security from a comprehensive angle, encompassing not only so-called hard security and human rights issues, but also economic and environmental issues relevant to security.

This three-dimensional nature of the OSCE is of key importance for keeping a political balance and thus enabling consensus.

But what exactly is the link between economic issues and security, as we see them in the OSCE? Let me give you some hints.

Over the years, participating States have given us a stable mandate in **good governance** as the basic condition for greater stability, predictability and hence trust between participating States. Moreover, we are very active in preventing and combatting **corruption**. In today's globalised and highly interconnected world, corruption represents one of the greatest challenges to security and a major obstacle to sustainable development since it reduces the attractiveness of the investment climate and impede economic growth and trade.

Another area is **connectivity and trade**. Participating States have established a relationship between the harmonization, standardization, and simplification of trade procedures, as free trade and the connections it establishes between society will create trust and security.

Colleagues,

The daily technological progress we are witnessing, quickly developing into Artificial Intelligence, is strongly impacting on economic security, touching upon all aspects of our lives.

In its scale, scope, and complexity, this transformation - with its opportunities and challenges - will be unlike anything experienced before. Although we still do not know how it will unfold, one thing is clear: the response should be integrated and comprehensive, involving all stakeholders, from the public and private sectors to academia and civil society.

There is no doubt that technology is driving historic levels of transformative change whose consequences – however - are still to be fully understood. One of the most disruptive consequences could be the impact on work. The progressive expansion of non-standard employment has a number of detrimental effects on many aspects, including on employment security, occupational health and accident insurance, social security, training - with consequences on the quality and quantity of jobs, particularly for youth.

In such an increasing volatile business climate, there is a strong need to re-think corporate governance as well as public-private partnerships to steward a technological transformation that is fair and leaves no one behind.

Technology and innovation promote economic growth, increase the efficiency of the public sector, improve governmental services and enrich the lives of all citizens. But technology and innovation also implies the need to manage the unequal distribution of the gains stemming from digitalization and the impacts of such gains among countries, social groups, productive sectors and skill levels.

All of this has been recognised by the 57 OSCE participating States last year in **Milan**. Under the leadership of the 2018 **Italian** OSCE Chairmanship two important documents have been adopted: a Ministerial Council “*Declaration on the on the Digital Economy as a driver for promoting co-operation, security and growth*”, and a Ministerial Council “*Decision on Human capital Development in the Digital Era*”.

In particular, the Ministerial Council Declaration recognised and I quote” *Digital transformation is having a positive impact on our economies and societies and so has the potential to enhance our co-operation within the economic and environmental dimension with a view to fostering sustainable and inclusive economic growth and development, connectivity, transparency and accountability*, end of quote.

The **Slovak** Chairmanship of the OSCE this year has also put focus on the implications of new technologies on the economy. This is a very welcomed decision considering that technology and innovation are top priorities in almost all participating States. It allows us to continue and strengthen our work to support participating States in harnessing the benefits of digital technologies.

One good example is our work with **Public administrations** across the OSCE region. There is in fact an increasingly interest in using digital technologies for enhancing transparency and enabling participation of civil society. Asset declaration is obligatory for more and more public officials across the OSCE. Making asset declarations publicly accessible via the internet is a powerful tool to enhance compliance and promote good governance.

Another area is enhancing civic control over **public spending**, a tool that can best be leveraged at the local level. Many participating States are now designing digital solutions for participation in this regard. Regulatory activities at the municipal level, such as the granting of construction permits, are also prone to corruption. Digital platforms can enhance transparency, empowering law enforcement and civil society to address corruption.

Connectivity and trade is another area where we support public administrations of participating States in adopting digital technologies. In many participating States, speed and security of procedures at the border can be enhanced significantly by digitizing documents, or by moving to paperless trade altogether.

In addition, rapidly emerging cross-border **e-commerce** and the changed trade flows that it generates also presents new challenges to public administration at the border. We have been supporting participating States in finding the right approach to the adoption of digital technologies, at the policy, legal, and technical level.

Of course, as a security organization, the OSCE is also addressing the transnational risks and threats of the digital transformation. The darknet and cryptocurrencies hold new challenges for public administration, such as money laundering and facilitating the smuggling of narcotics, weapons, and other illicit goods. We have then become more active in training law enforcement officials of participating States in these areas.

Before concluding I would like to offer a final reflection.

We are all aware that the challenges and opportunities of the Fourth Industrial Revolution are not easy to balance. The impact on economic security could potentially be disruptive if the technological change does not deliver on its promises. We cannot afford the digital gap to become yet another dividing line in the current regional and global scenario.

New technologies can help changing perspective, generating hope, connecting us, and triggering a new story about how we want to live. Indeed, we are all part of this story; we are all responsible for its outcome. The closer we co-operate, the bigger difference we can make.

I therefore welcome the opportunity offered today to discuss the prospects for enhanced co-operation in an area that is already shaping our present and will continue shaping our future and let me express my personal appreciation for the excellent cooperation we are enjoying with the team of the Slovak Chairmanship of the OSCE.

Thank you.