25th ECONOMIC AND ENVIRONMENTAL FORUM

"Greening the economy and building partnerships"

SECOND PREPARATORY MEETING

Astana, 15-16 June 2017

CONSOLIDATED SUMMARY





"Greening the economy and building partnerships for security in the OSCR region"

SECOND PREPARATORY MEETING

"Greening the economy for sustainable development, security and stability" Astana, 14-16 June 2017

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LIST OF ABBREVIATIONS

DRR Disaster Risk Reduction

EBRD European Bank for Reconstruction and Development

EEC Economic and Environmental Committee

EEF Economic and Environmental Forum

ENVSEC Environment and Security Initiative

EU European Union

FSC Forum for Security Co-operation

GEF Global Environment Facility

GET Green Economy Transition

GTF Global Tracking Framework

MGIMO Moscow State Institute of International Relations

NGO Non-governmental organization

OCEEA Office of the Co-ordinator of OSCE Economic and Environmental

Activities

PA OSCE Parliamentary Assembly

PCU Project Co-ordinator in Ukraine

pS OSCE participating States

SDG Sustainable Development Goal

SOCAR State Oil Company of Azerbaijan Republic

UNECE United Nations Economic Commission for Europe

USAID United States Agency for International Development

WWF World Wildlife Fund

EXECUTIVE SUMMARY

The Second Preparatory Meeting of the 25th OSCE Economic and Environmental Forum (EEF) focused on "Greening the Economy for Sustainable Development, Security and Stability" and took place in Astana on 14-16 June 2017. During the two-day meeting, the following thematic topics were addressed:

- Enhancing Resource Efficiency and Greening the Economy
- Contributing to Energy Security through Renewable Energy
- Reducing Environmental Risks and Strengthening Good Environmental Governance

Officials and representatives of OSCE participating States (pS), OSCE Field Operations, Institutions and Partners for Co-operation as well as stakeholders from international, regional and non-governmental organizations (NGOs), the business community and academia attended the Second Preparatory Meeting of the EEF, engaged in constructive discussions throughout the Sessions and the Working Groups and identified benefits and good practices from the region. Conclusions and recommendations on how to enhance good environmental governance and environmental risk reduction, increase resource efficiency and promote energy security through renewable energy were drawn upon the deliberations of the Working Groups.

The discussions elaborated the cross-cutting benefits of greening the economy for sustainable development, security and stability in the OSCE region. Participants of the meeting highlighted the importance of more efficient use of natural resources and closer co-operation in this context. As noted by many speakers, the wide geographical coverage of the OSCE, as well its political weight and capacities for dialogue offer many advantages in terms of exchanging experiences and best practices related to green economy. A significant potential for the OSCE's contribution to promoting circular economy, in co-operation with other relevant actors was noted, including in the areas related to supporting development of relevant circular economy models, framework agreements on the use of natural resources and waste reduction and enabling policy and regulatory frameworks for circular economy, tracking progress on resource efficiency and further exploring linkages between resource use and security. Deliberations underlined the important roles of the private sector, as well as of municipalities in the transition to green economy. The OSCE could also play a meaningful role in facilitating dialogue in the transition to green economy and further strengthening trust between government, public and business sector.

The discussions emphasized that reliable and sustainable energy supplies are preconditions for future growth and the stability and prosperity in the region. It was stressed that a diversified energy mix with renewable energy sources can help decrease import dependence, create jobs and have a positive impact on economy. The OSCE as a platform for dialogue on energy security issues and the exchange of best practices were highly valued. The planned Centre of Excellence for Green Technology and Investments in Astana could play a vital role in enhancing the work in the OSCE's Second Dimension. The potential of geothermal energy was also highlighted. Women were often affected by energy poverty. Therefore, it should be ensured that all groups could benefit from job opportunities in creating new industries in the energy sector.

Environmental risks can result from environmental degradation, unsustainable use of natural resources, mismanagement of waste, resource scarcity, pollution as well as natural hazards. The presentations outlined the security implications of climate change and environmental degradation, environmental aspects of the 2030 Agenda for Sustainable Development, and provided concrete examples of how to engage civil society, the business sector and youth in policies for reducing environmental risks, promoting climate action and fostering green economy. Participants stressed the role of the OSCE in promoting a well-informed civil society and accessibility of environmental information, fostering public participation in environmental decision making to strengthen security and stability at regional, national and local levels and exchange of best practices and lessons learned across borders and regions. Existing partnerships like the Environment and Security Initiative (ENVSEC) and the Aarhus Centres Network provide frameworks for sharing experiences at regional as well as cross-regional level.

The responsibility towards future generations was highlighted. The OSCE as a platform for dialogue could play an increasingly significant role to security related aspects of environment. Finally, participants highlighted the importance of the OSCE's convening power when it comes to raising awareness, capacity building, sharing and implementing best practices as well as confidence building in the environmental field.

Opening Session

Welcoming remarks:

- **Mr. Roman Vassilenko,** Deputy Minister of Foreign Affairs of the Republic of Kazakhstan

Keynote speeches:

- Ms. Christine Muttonen, President of OSCE Parliamentary Assembly
- **Mr Daniel Violetti**, Chief of Staff, United Nations Framework Convention for Climate Change, UNFCCC

Moderator: Mr. Andreas Stadler, Minister Plenipotentiary, Deputy Head of Mission for the Economic and Environmental Dimension, Permanent Mission of Austria to the OSCE, 2017

Rapporteur: Mr. Roman Romanovsky, Deputy Permanent Representative of the Republic of Belarus to the OSCE

Mr. Andreas Stadler, Minister Plenipotentiary, Deputy Head of the Permanent Mission of Austria to the OSCE for the Economic and Environmental Dimension, 2017 Austrian OSCE Chairmanship, welcomed the participants of the Second Preparatory Meeting of the 25th OSCE EEF at the premises of Nazarbayev University in Astana. He stressed that this year marks two important anniversaries for the OSCE's Second Dimension – the 25th anniversary of the establishment of the Forum and the 10th anniversary since environmental issues became an integral part of the EEF agenda. He underlined the strong linkage between the title of the Second Preparatory Meeting and the topic of the EXPO 2017 both geared to resource efficiency, green and renewable energies, as well as good environmental governance.

Mr. Roman Vassilenko, Deputy Minister of Foreign Affairs of the Republic of Kazakhstan, stressed the importance of the OSCE's role in assisting pS in developing the vast potential of its economic and environmental activities and making a real progress in establishing a security community stretching from Vancouver to Vladivostok as enshrined in the Astana Commemorative Declaration. Mr. Vassilenko noted that the infrastructure built for Astana EXPO 2017 would be used for the International Centre for Green Technologies and Investments and a new research complex of Nazarbayev University. He emphasized that one of the main objectives was to exchange best practices and latest advancements in research, and facilitate the transfer of environmentally-friendly technologies into economically-viable projects. He expressed hope that discussions during the Second Preparatory Meeting would pave the way towards a possible Vienna Ministerial Council decision on green economy.

Ambassador Florian Raunig, Head of 2017 OSCE Austrian Chairmanship Task Force, noted that the Second Dimension can contribute to the objective of rebuilding trust and confidence throughout the OSCE area. He stressed that the OSCE's actions can make a difference in the environmental field as common challenges linked to the use of natural resources can bring people towards a common goal. Ambassador Raunig further argued that the transition to green economy calls for enhanced co-operation, both among and within countries, on a broad range of topics, such as resource efficiency, energy efficiency and renewable energy, environmental risk reduction, and good environmental governance thus preventing or reducing tensions resulting from resource scarcity and environmental degradation. He highlighted the role of the OSCE in addressing environmental threats and challenges and as a platform for sharing best practices including a view to the implementation of the 2030 Sustainable Development Agenda.

Ambassador Vuk Žugić, Co-ordinator of OSCE Economic and Environmental Activities, called for the use of the 'Green Bridge' of Kazakhstan, a partnership programme for stable and long-term green investment, to foster sustainability and security in the whole OSCE region. Ambassador Žugić noted that only mutual co-operation and a commitment to the concept of comprehensive, equal and indivisible security, which must be further developed, can bring success. He expressed confidence that this year's EEF process would guide the OSCE's support to the efforts of the pS in greening their economies.

Ms. Christine Muttonen, President of OSCE Parliamentary Assembly (PA), highlighted the role of Kazakhstan as a regional leader in capping greenhouse gas emissions and developing renewable sources of energy. She stressed the importance of sustainable green economy and renewables for ensuring peace and stability. Preventing irreversible climate change was mentioned as one of the most challenging security tasks for the OSCE. In this respect, Ms. Muttonen expressed regret that one OSCE participating State decided to withdraw from the Paris Climate Change Agreement and called for stepping up efforts to fight climate change. The OSCE PA will continue to urge OSCE pS to move towards a greener economy, which is key to preventing future conflicts and promoting greater stability in the OSCE area without compromising on access to energy or hampering economic development. The role of renewable energy in improving living conditions for people was stressed, especially in rural or isolated areas. She emphasized the unique role parliamentarians can play in promoting the transition to a green economy within the OSCE, impacting on governmental policies, among industries and citizens. The OSCE PA offers a good platform for discussing the challenges and opportunities related to greening the economy.

Mr. Daniele Violetti, Chief of Staff, United Nations Framework Convention for Climate Change, outlined what the Paris Agreement offers in terms of transformation towards a green economy, how climate action fits into the push for sustainable development and the unprecedented momentum in the real world towards a new model of growth and development. He stressed that the Paris Agreement advances the progress towards achieving Sustainable Development Goals (SDGs) beyond SDG 13 on climate change alone. He argued that an integrated climate and sustainability action represents a path to prosperity delivering lasting social and economic benefits as well as providing security and stability. The costs of renewable energy are falling, sustainable innovation is transforming transport, 'green' bonds, environmental social and corporate governance open the door to long-term prosperity, and sustainable supply chains make a real difference in business. As global pressures mount due to population growth, he called for making economic growth and development green and

clean. Mr. Violetti encouraged all OSCE pS to embrace the promise outlined in the Paris Agreement and to raise ambition, as time is running out. He further argued that in this new phase of implementation, development policies must be explicitly linked to stability that increases security in today's interconnected world.

The floor was opened for discussion.

A representative of the Russian Federation noted that increasing energy efficiency and using renewable energy sources had long been established on the agenda of the economic and environmental dimension of the OSCE activities. It was underlined that greening the economy was one of the key areas of governmental policy aimed at increasing the competitiveness of the Russian economy, implementing international commitments and ensuring sustainable economic growth. The Russian representative shared his country's experience in the process of transition to a green economy through transforming the legislative framework. At the same time he emphasized the related challenges of financial nature (the transition to the best available technologies would require Russian industrial companies to commit to additional investments amounting between 130 to 210 billion euros for the period until 2031) and the need for developing a system of green financing and the functioning of green capital markets. He expressed confidence that the OSCE as a platform for dialogue and co-operation would be able to make its contribution and bring added value to ensuring environmentally-oriented economic growth and preserving a favourable environment and natural resources to meet the needs of current and future generations.

A representative of Belarus stressed the relevance of the topic of this year's Forum as the development of a green economy helps solving environmental problems while at the same time ensuring economic security and social stability and creating conditions for economic growth and new jobs. He shared Belarus' experience in establishing organizational and institutional framework for and the priority areas of greening the economy in Belarus, which include the development of electric transport infrastructure and urban mobility, implementation of the concept of "smart cities", increasing the use of renewable energy sources, and the construction of energy efficient residential buildings among others. He also emphasized the role of parliaments in promoting the principles of green economy and expressed trust that the annual OSCE PA session in Minsk would foster a constructive exchange of views on a wide range of economic and environmental questions on the Organization's agenda, including on the topic of greening the economy.

A representative of the Holy See expressed the opinion that the dignity of the person should be at the centre of any economic, environmental or developmental policy. He spoke about the concept of "integral human development" enabling men and women to escape from poverty and destitution and allowing them to be dignified agents of their own future. Reducing environmental risks and strengthening good environmental governance offers not only economic opportunity, but has long-term effects that impact a variety of political and social issues. He commended the attention given by the Austrian Chairmanship to greening the economy uniting the two parts of the OSCE's second dimension and called upon the pS to cooperating in the implementation of the 2030 Agenda for Sustainable Development.

Malta, on behalf of the European Union (EU)¹, stressed the relevance of the SDGs for the OSCE's comprehensive approach to security and highlighted the commitment of the EU to the SDGs and the Paris Agreement on Climate Change. The EU regretted the decision by one OSCE participating State to withdraw from the Paris Agreement while emphasizing the importance of combatting climate change as a risk-multiplying threat with a broad strategic dimension and its resolve to further lead this process. It was underlined that green growth was not just a preferable approach to economic development, but the only way to sustain prosperity and thus stability and security in the long term. Greening the economy features prominently in a range of medium- and long-term EU programmes and strategies in areas such as managing resources, countering climate change, innovation, sustainable consumption and production, waste and water management. The representative of the EU called energy security as one of the main pillars of the EU's Energy Union project and explained that it is working on diversification of energy sources and resources, energy efficiency and renewable energy being its priority. The OSCE as a platform for dialogue on energy security issues was highly valued. The EU representative stressed the importance of good environmental governance and the reduction of environmental risks as well as the need to fully utilize the OSCE' conflict prevention toolbox. In this regard, the work being done by the OSCE Secretariat, the field operations and the Aarhus Centres was appreciated.

A representative of Georgia supported the topic of the Second Preparatory Meeting, noted close and fruitful co-operation of his country with the OSCE and other international organizations within the ENVSEC on various projects in the field of environment. He also stressed the importance of the OSCE as a platform for dialogue and exchange of best practices on various aspects of its comprehensive security approach.

A representative of Switzerland spoke in favour of a wider use of environmental issues and connectivity by the OSCE as a tool for confidence-building and for fostering interstate cooperation. He further stressed the OSCE's role as a platform to exchange best practices in the field of enhancing resource efficiency and greening the economy. An inclusive approach and the need to work with domestic stakeholders were underlined when designing policies of greening the economy. He called for increased attention to climate change as a risk multiplier and stressed the need to extend efforts on climate change and its security implications and discuss on how to strengthen the OSCE can address these challenges He also made a special emphasis on the importance of regional integration of electricity networks and markets as well as on the protection of energy networks from natural hazards where the OSCE can build on its existing strengths. The need to reduce the risks of natural disasters could be an important driver for interstate cooperation, including in Central Asia.

A representative of Armenia mentioned transparency, the efficient use of resources, sustainable development, preventing climate change and transboundary co-operation as key attributes towards greening the economy. He stressed the essential role of co-operation among the OSCE pS for reducing environmental risks, transferring knowledge and green technologies. Highlighting the assistance provided by the OSCE Office in Yerevan to Armenia in the areas of reducing environmental risks, greening the economy, developing the

¹ The Candidate Countries the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Albania, and the EFTA country Iceland, member of the European Economic Area, as well as Ukraine and Georgia align themselves with this statement.

network of Aarhus Centres and mainstreaming green growth indicators, he expressed hope that these undertakings would be further built upon through new forms of co-operation between Armenia and the OSCE.

A representative of the United States of America welcomed the involvement of all stakeholders into discussing the opportunities to strengthen security through a greener economy and stronger partnerships as well as the focus of the meeting on the links between sustainable development, security, and stability. He stressed that the OSCE, with its network of field operations and partnership with 60 Aarhus Centres, is well positioned to assist pS with implementation of the 2030 Agenda for Sustainable Development. He highlighted the unique role of the OSCE as a platform for pS to share best practices in their efforts to end poverty, enhance human dignity, fight inequalities, and tackle climate change. Increasing the supply of energy, providing the right investment and regulatory environment, diversifying energy sources and suppliers, protecting critical energy infrastructure, and promoting responsible environmental practices were mentioned as essential components of US policies. The representative spoke about his country's experience in providing an attractive investment and regulatory environment unleashing market forces necessary for a clean energy revolution and the ample opportunities opening in the US market for countries that develop, manufacture, and export clean energy technologies. He affirmed that the United States will also after the decision to exit the Paris Agreement continue to be environmentally friendly and involved in climate change policies, and would remain a leader in clean energy technology and environmental protection.

A representative of Azerbaijan underlined that co-operation among the OSCE pS in the economic and environmental field should be based upon full respect of the principles guiding the relations between the States as enshrined in the Helsinki Final Act and other OSCE documents. He highlighted the experience of his country in promoting good environmental governance and energy security, modernization of energy infrastructure, energy efficiency, and the use of renewable energy resources as well as in reducing greenhouse gas emissions.

A representative of Tajikistan outlined the main directions of developing green economy in his country, the core element of which is harnessing the high potential of hydropower, which remains largely underutilized though. He underlined the prospects for closer regional cooperation in providing neighbouring countries with clean and cheap energy. He welcomed the work on restoring parallel functioning of electricity networks of the countries in the region. Referring to the International Decade of Action "Water for Sustainable Development" 2018-2028, initiated by Tajikistan, he emphasized the importance of universal access to water resources for sustainable development and increasing international co-operation in this field, especially in the context of fighting climate change.

Session I: Enhancing Resource Efficiency and Greening the Economy

Moderator: M. Victoria González Roman, Permanent Representative of Spain to the OSCE

Rapporteur: Mr. Leonid Kalashnyk, Environmental Programme Officer, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Speakers:

- **Mr. Gani Sadibekov,** Vice Minister of Energy of Kazakhstan, Co-Chair of the GREEN Action Programme Task Force
- **Mr. Máté Kriza,** Chairman of the Foundation for Circular Economy, Hungary
- **Ms. Elfriede More,** Director, International Environmental Affairs, Federal Ministry of Agriculture, Forestry and Environment, Austria
- **Prof. Sergei Melnov,** Director, Republican Research Unitary Enterprise, Belarusian Research Center for Ecology
- **Mr. Vladyslav Bielous,** Head of Environment Protection Department, HSE Direction, Metinvest Holding, Ukraine

The Moderator, Ambassador M. Victoria González Roman, Permanent Representative of Spain to the OSCE, introduced the session by outlining the five main elements for discussion: how the transition to green economy can foster security, economic prosperity and sustainable development; crucial role of enhancing resource efficiency in the transition to green economy; concept of circular economy as an economic model; role of the private sector in the transition to green economy and, finally, enabling conditions for green economy. Referring to the outcomes of the 2017 Youth Conference in Malaga, she also noted the need of heeding the role of youth in greening the economy and enhancing efficiency during the forthcoming discussions.

Mr. Gani Sadibekov, Vice Minister of Energy of Kazakhstan, Co-Chair of the GREEN Action Programme Task Force, stated that greening the economy is one of the important instruments for development and has a role to play in enhancing security. He outlined relevant national legal frameworks, including the 2013 Concept for Kazakhstan's Transition to Green Economy. In line with it, measures for the transition to green economy include: sustainable use of water resources, sustainable agriculture, energy saving and energy efficiency, development of electricity production, improved waste management, curbing air pollution and effective management of ecosystems. Such measures also contribute to ensuring security in the area of environment, Mr. Sadibekov noted. Development of renewable energy and effective waste management are among top priority areas for implementation. Mr. Sadibekov underlined that all the efforts by the government and local authorities have a shared objective of ensuring security in respective sectors, reducing anthropogenic pressures on the environment and improving the prosperity of people. He noted the fruitful co-operation with

the OSCE with regard to the Aarhus Convention and the Aarhus Centres and welcomed the OSCE's continued support in this regard. In addition, Mr. Sadibekov expressed an interest in the co-operation with the OSCE with regard to the International Centre for Green Technologies planned to be established in Astana. He noted the centre's conceivable contribution to greening the economy and strengthening security.

Mr. Mate Kriza, Chairman of the Foundation for Circular Economy, Hungary, presented the concept of circular economy and its differences compared to the traditional linear economic model. He outlined linkages between circular economy and green economy as well as relationships with the SDGs. While addressing many of the SDGs, circular economy makes a very significant contribution to climate action and resource efficiency. Referring to a number of challenges to deploying this concept (e.g. fragmentation of policies and insufficient taxation of primary raw materials), he noted several enabling factors and good practice examples from the private sector. A significant potential for the OSCE's contribution to promoting circular economy, in co-operation with other relevant actors (e.g. relevant EU institutions, think-tanks, NGOs and private sector organizations), was noted. Potential areas for involvement include supporting development of relevant circular economy models, framework agreements on the use of natural resources and waste reduction and enabling policy and regulatory frameworks for circular economy, tracking progress on resource efficiency and further exploring linkages between resource use, stability and security.

Ms. Elfriede More, Director, International Environmental Affairs, Federal Ministry of Agriculture, Forestry and Environment, Austria, presented resource efficiency as part of environmental policies. She briefly outlined linkages between global trends related to the environment (e.g. climate change, environmental and resource degradation) and a number of social trends (e.g. urbanization, globalization and consumer behavior). She noted the impact of these trends on resources, including water, which may lead to security implications. Speaking of the challenges and opportunities related to resource efficiency in Austria, Ms. More highlighted trade-related aspects, connectivity and reliability of sources for raw materials as well as impacts on the environment through extraction and processing. A new initiative entitled RESET 2020 was briefly outlined to showcase the Federal Ministry's contribution to addressing resource efficiency. She identified the private sector and municipalities as very important actors in promoting resource efficiency policies and explained how the Federal Ministry supports these actors.

Prof. Sergei Melnov, Director, Republican Research Unitary Enterprise, Belarusian Research Centre for Ecology, spoke about green economy in the context of the Republic of Belarus. He listed major national documents embracing commitments related to green economy, including the National Strategy for Sustainable Social and Economic Development to 2030 and the National Action Plan for the Development of Green Economy. Among priority areas for green economy to act upon are reduction of energy intensity and increasing of energy efficiency, sustainable production and consumption as well as renewable energy and electric vehicles. Prof. Melnov then went on to detail how the increase in planned renewable energy installations would be linked with the creation of a significant number of new jobs in the country.

Mr. Vladyslav Bielous, Head of Environment Protection Department, HSE Direction, Metinvest Holding, Ukraine talked about the role of the private sector in the transition to green economy. Business plays a crucial role in the transition to green economy that gives

significant opportunities both in environmental and economic terms. Business investments create solutions that enable reducing emissions and use of resources, he noted. At the same time, business needs a regulatory framework from the government, supporting innovative and safe investments and incentivizing private investors to develop green technologies and prospective start-ups. Mr. Bielous outlined a number of good practice examples within his company and suggested the setting up of community-controlled funds to accumulate financial resources from environmental payments by businesses. These funds could then be used to address adverse environmental impacts if need be, he suggested. He suggested that the OSCE could facilitate a dialogue between the government, private sector and society in the areas related to green economy with a view to further strengthening trust between different actors.

The floor was opened for discussion.

A representative of Malta on behalf of the European Union referred to the role of the private sector in the transition to green economy. She identified two issues suitable for further discussion: the needs of small companies in the transition process and how well they are taken into account, and the availability of green skills.

A representative of Belgium inquired about the implications of decreases in the use of raw materials in Austria in the past decades as indicated in Ms. More's presentation.

A representative of Switzerland asked if there might be practical guidelines for the transition to green and/or circular economy available internationally which the OSCE could build on.

Ms. More commented on the shifts in the use and origins of raw materials. She indicated that data in her presentation are also indicative of similar trends for almost all the countries in the EU. There is an observable shift in the origins of raw materials in the past decades. A lot of them are now produced in China and imported to the EU. This relates to how production and consumption patterns have changed. On the issue of green skills, she indicated that new kinds of jobs are being created given a demand for, for instance, electric vehicles and e-bikes. This requires people able to repair such products or handle technologies behind them.

Mr. Kriza indicated that green economy or circular economy leads to new jobs in the field of repair and re-manufacturing, referring to good practice examples from Philips and Caterpillar. There is a clear need for more skilled people able to repair and re-manufacture, at the same time. In commenting on the issue of the needs of the small companies, he emphasized the importance of analyzing the whole value chain of manufacturing. Since big companies set the rules and small companies are mostly suppliers, it is important to focus, first of all, on big companies. Small companies would then follow the example of big companies switching to circular economy patterns. On the issue of guidelines for the transition to green economy or circular economy, Mr. Kriza noted that he was not aware of such guidelines available within the UN system. At the same time, there are important strategies and road-maps from the EU and some individual countries that are worth consulting.

Mr. Bielous referred to the good practice examples outlined in his presentation and indicated that one of the examples - a project to boost environmental performance of industrial facilities - had been implemented by a foreign company while a significant number of local personnel was recruited for this purpose.

Prof. Melnov noted the plans for the production of electric vehicles in his country, noting the added value of such vehicles to connect different countries.

Session II: Contributing to Energy Security Through Renewable Energy

Moderator: Ambassador Gréta Gunnarsdóttir, Permanent Representative of Iceland to the OSCE

Rapporteur: Mr. Daniel Kroos, Senior Programme Officer, Energy Security, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Speakers:

- **Mr. Scott Foster**, Director of Sustainable Energy, United Nations Economic Commission for Europe, UNECE
- **Mr. Vincent Duijnhouwer**, Associate Director, Energy Efficiency and Climate Change Department, European Bank for Reconstruction and Development, EBRD
- **Mr. Martynas Nagevičius,** President, Renewable Energy Confederation, Lithuania
- **Mr. Tobias Baumann**, Executive Director, German-Azerbaijani Chamber of Commerce
- Mr. Peter du Pont, Senior Climate Change Advisor, USAID Asia

The Moderator, Ambassador Gréta Gunnarsdóttir, Permanent Representative of Iceland to the OSCE, underlined that the potential of geothermal energy would often be forgotten in the debate. She stressed the importance of keeping a gender perspective in mind when discussing the benefits of renewable energy. Women would be especially affected by energy poverty and when creating new industries around the energy sector, it has to be ensured that also women can benefit from associated new job opportunities.

Mr. Scott Foster, Director of Sustainable Energy, United Nations Economic Commission for Europe, UNECE, stressed the importance of renewable energy for realization of the 2030 Agenda. Recognizing the diversity of approaches towards reaching that goal would be important, as countries will consider different options and pathways that fit to their individual situation and needs. He underlined that policy frameworks must be economically viable in order to endure over time. An effective market signal would be to put a price on carbon. He stated that energy security would not necessarily mean self-sufficiency. Instead, especially in the energy sector, countries would need to create mutually beneficial economic interdependence. He noted that costs for renewables have reached parity with fossil fuels in many economies. A lot of options are available to bring flexibility to the demand and supply side. UNECE has developed energy efficiency guidelines for buildings which will help bring down energy costs significantly. According to Mr. Foster, strengthened interconnectivity will enhance the contribution renewable energy can make to energy security by broadening market scope and creating smart energy networks. Creating competitive green markets,

applying a holistic perspective through interconnectivity and participation of customers, removing end use subsidies and putting a price on carbon requires a high level political dialogue. Here, UNECE and OSCE can be strong partners. While UNECE would focus on technical aspects, OSCE can facilitate a high level political dialogue.

Mr. Vincent Duijnhouwer, Associate Director, Energy Efficiency and Climate Change Department, European Bank for Reconstruction and Development, EBRD, introduced the EBRD's Energy Strategy. Approved in 2013, it is centred on energy efficiency, and rooted in the EBRD's transition mandate and presents the bank's operational approach to support secure, affordable and sustainable energy through the transition to a market oriented energy sector. Principal transition gaps in the countries, where the EBRD is active, would relate to the lack of open markets, the absence of sufficient physical and regulatory infrastructure to allow for effective cross border trading and the failure to price the value of security and diversity. He stated that the EBRD has adopted a Green Economy Transition (GET) approach to further scale up the Bank's green business, and to include new areas of activity, such as environmental protection and technology transfer. He then reported on the EBRD's policy and market development support for renewable energy in Kazakhstan. In conclusion, he underlined the EBRD's commitment to support the development of renewables in its countries of operation through a combination of finance, policy dialogue and technical cooperation. He underlined that the OSCE could support these efforts in several ways, namely by actively supporting the development of renewable energies and drawing attention to the link between energy security and renewables, by playing a role in reinforcing regional market integration, thus supporting the further development of renewable energy projects, and lastly by acting as a platform to share international best practices between pS on renewables.

Ambassador Gréta Gunnarsdóttir stated that the support to the planned Centre of Excellence for Green Technology and Investments in Astana could play a vital role in advancing the work in the second dimension of the OSCE.

Mr. Martynas Nagevičius, President, Renewable Energy Confederation, Lithuania, presented a case study on enabling conditions for renewable energy in Lithuania. He stressed that, in order to reach a viable renewable energy policy framework, some mistakes should be avoided. They include too many subsidies for renewable energy, unrealistic expectations towards their implementations and too much regulation during the planning process. Frequent changes to support schemes and retroactive changes should be avoided, as they could lead to an unfavourable investment climate. In oil rich countries, the rationale for the development of renewable energy would be to gain technological experience, increase fossil fuel export revenues without substantial investments and the achievement of climate change reduction goals. He stressed that, whether external benefits such as green economic growth are fully considered, would depend on the perspective of the policy maker. He elaborated on the different stages of renewable energy market penetration as a guiding pathway for renewable energy development.

Mr. Tobias Baumann, Executive Director, German-Azerbaijani Chamber of Commerce, provided a private sector perspective representing German businesses in Azerbaijan on the development of renewable energy in the country. He underlined the great potential of renewable energy in Azerbaijan, with more than 300 sunny days a year, great conditions for wind power, geothermal opportunities and terrestrial heat in the South of the country. Low oil prices as well as the lack of a strong legal framework to support renewable energy are

currently creating challenges for investors. The State Oil Company of Azerbaijan, SOCAR, is currently considering investments into energy efficiency projects. Further improving investment conditions and the legal framework for international investors into the renewable energy sector could unlock the outstanding potential Azerbaijan is offering for renewable energy projects.

Mr. Peter du Pont, Senior Climate Change Advisor, USAID Asia, underlined the benefits of renewable energy for energy security, the economy and jobs. USAID's approach on this issue combines the support to clean energy by building planning and implementation capacity to scale up investment in clean energy, identify business models and drivers and to catalyse private sector investment in low emission land use management as well as to work with countries to access climate finance for adaptation and resilience and with cities to scale up investments in resilience. Renewable energy would increase security by reducing imports, improve the balance of payments, reducing local pollution and CO2 emissions and improve economic competitiveness and create green jobs. The Global Tracking Framework (GTF) would provide the international community with a global dashboard to register progress on energy access, energy efficiency and renewable energy. He stated that renewable energy is a proven way to boost economic growth and create jobs. This is one of the main reasons that China and India are significantly investing into renewable energy.

The floor was opened for discussion.

A representative of Turkmenistan thanked the OSCE for convening this important topic. Turkmenistan, despite being equipped with huge gas reserves, has started to develop renewable energy with a power sector strategy that includes the possibility to generate electricity from renewable energy. From 2014, the State Energy Institute of Mary in Turkmenistan has provided professional skills in renewable energy, while transferring best practices. The Institute is currently developing a national road map for solar energy for Turkmenistan. The government of Turkmenistan thanked the OSCE for supporting the development of the solar energy map. Turkmenistan is planning to install solar energy equipment for electricity generation in remote areas. The Renewable Energy Confederation of Lithuania was invited to study these plans.

A representative from the OSCE Office in Tajikistan enquired from the EBRD how gender mainstreaming is incorporated in the work of the Bank on energy.

A representative from Spain stated that Spain has been a pioneer in renewable energy support. The country has made big investments in research and development and has seen many of the benefits of renewable energy from the very beginning. However, Spain has also suffered from the negative effects of its renewable energy policy, namely the budgetary burden and high electricity bills for its citizens. Spain is now in a position to understand the challenges of energy markets and the importance of a political dialogue and to raise public awareness for an effective energy transition. To this end, the OSCE is an ideal platform for dialogue.

A representative from Bosnia and Herzegovina noted that co-operation with the green climate fund would be very important for the country. Bosnia and Herzegovina has adopted strategies for low carbon and climate action and identified projects needed to reach the transition towards a green economy by 2025. However, without funding from the EU or other donors,

this goal is not achievable. An engagement with the EBRD on the subject of financing is needed.

Mr. Duijnhouwer of the EBRD pointed out that gender mainstreaming in renewables means creating equal opportunities for women to engage in the renewables sector. He stated that the Green Climate Fund and the EBRD stand ready for discussions with Bosnia and Herzegovina.

Mr. Nagevičius, Renewable Energy Confederation of Lithuania, thanked the representative of Turkmenistan for his comments and offered assistance in developing renewable energy in Turkmenistan. One of the results of the meeting in Astana could be the creation of a platform for renewables between Lithuania and Turkmenistan.

Mr. Foster, UNECE, said that raising awareness would not necessarily be effective by itself. What is rather needed is an effective engagement with all stakeholders in the respective countries.

Session III: Reducing Environmental Risks and Strengthening Good Environmental Governance

Moderator: Ambassador Roksanda Ninčić, Permanent Representative of Serbia to the OSCE

Rapporteur: Ms. Jenniver Sehring, Environmental Affairs Adviser, Office of the Coordinator of OSCE Economic and Environmental Activities

Speakers:

- Mr. Georg Rebernig, Managing Director, Environment Agency, Austria
- **Ms. Lyudmila Lvova,** Director of the Burabay Aarhus Centre, Kazakhstan
- **Dr. Evgeny Shvarts,** Director of Conservation Policy, WWF, Russian Federation
- **Ms. Yasemin Uyar,** Advisory Board Member, Habitat Association, Turkey
- **Mr. Yeldos Abakanov,** Project Manager, Coalition for "Green Economy" and G-Global development, Kazakhstan

The Moderator, Ambassador Roksanda Ninčić, Permanent Representative of Serbia to the OSCE, introduced the Session by outlining its main aims: first, to take stock and learn from good examples from the OSCE, its field operations and pS in their efforts to reduce environmental risks and strengthen good environmental governance. And second, to use this as a basis to discuss how the OSCE could reinforce its response to environment and security challenges in order to achieve enduring stability.

Mr. Georg Rebernig, Managing Director, Environment Agency, Austria, gave an overview on security implications of climate change and environmental degradation as well as on environmental aspects of the 2030 Agenda for Sustainable Development. He outlined the main effects of climate change on Austria and stressed that the risks go beyond the environment, but also affect economic and social systems. Therefore, also the business community as well as military and security think tanks are increasingly aware of these risks. He gave several examples of EU and Austrian policy processes and strategies for climate action. He further outlined the importance of the environment throughout the SDGs and their indicators, and presented the EU and Austrian strategies and initiatives for implementing the SDGs. His recommendations for how to support the SDGs, also for the OSCE, included promoting a well-informed civil society and accessibility of environmental information; fostering public participation in environmental decision making to strengthen security and stability at regional, national and local levels; exchange of best practices and lessons learned across borders and regions; knowledge exchange of environment agencies with ENVSEC, OSCE Field Missions and Aarhus Centres in the region; and strengthening the capacities of the Aarhus Centres Network.

Ms. Lyudmila Lvova, Director of the Burabay Aarhus Centre, Kazakhstan, introduced the work of the Aarhus Centre in fostering awareness and stakeholder participation, in particular in relation to the transition to Green Economy. She presented joint activities of the Aarhus Centre with the Administration of the national park "Burabay" for the promotion of green technologies and sustainable tourism in the area of the national park, including an awareness-raising campaign and several conferences. The workshops resulted in concrete recommendations for local governments, NGOs, and businesses how to ensure the rights of the citizens in green economy programmes. Ms. Lvova also underlined the benefits of sharing experiences with other Aarhus Centres, which is enabled by the OSCE, at national, regional as well as cross-regional level.

Dr. Evgeny Shvarts, Director of Conservation Policy, WWF, Russian Federation, presented the WWF Russia's engagement in fostering environmental responsibility among companies through environmental ratings for different sectors. The ratings are conducted by independent agencies based on publicly available data and those provided by the companies. The rating criteria are environmental management, environmental impact, and transparency (availability of environmental impact data disclosure). He informed about the presidential decree on disclosure of non-financial information on environment by state government-owned companies, government agencies, and public companies. The ratings led to more companies disclosing more data, and showed the impact that even such soft instruments can have on improving environmental performance.

Ms. Yasemin Uyar, Advisory Board Member, Habitat Association, Turkey, focussed her presentation on education, awareness raising and participation of youth in environmental matters. She underlined that public participation usually addresses the organized public, but not the mass of people although the latter is where change needs to happen. Modern technology could ease the participation of youth. However, there are still many challenges to get youth actively engaged in voluntary work and politics. She presented examples of the activities of the Youth Organization "Habitat" and stressed the need to combine political awareness raising with financial support and incentives for concrete activities.

Mr. Yeldos Abakanov, Project Manager, Coalition for "Green Economy" and G-Global development, Kazakhstan, presented the activities of the NGO in engaging different stakeholders in joint projects to support the transition to Green Economy. The NGO partners with state institutions, business companies, political parties and international organizations. In the pilot "green valley" of Arnasay in Kazakhstan, a green technology centre and an organic farming centre were established to foster research and conduct capacity building. The trainings were also attended by participants from other Central Asian states. A secondary school was equipped with green technology to serve as an example for other schools on the benefits and financial savings due to energy efficiency. Young people learn how to grow organic food and use power efficiently, for example. His recommendations included to work with different, clearly defined target groups; create green technology centres; and provide a green bridge between countries for knowledge exchange.

The floor was opened for discussion.

A representative of the European Union stressed that reduction of environmental risks and good environmental governance are important topics for the EU. The OSCE was well placed

to promote regional dialogue on these topics, which can also contribute to confidence building. The representative appreciated the work of the Aarhus Centres and underlined the importance of youth in these matters. She asked the speakers to point out specific areas for political or practical support of the OSCE.

A representative of the United States appreciated the work of the NGO Habitat and asked how Aarhus Centres could work closer with young people. He welcomed the open dialogue regarding the announced withdrawal of the US from the Paris Climate Agreement and pointed to the continued engagement of the country in climate change policies, for example, through investments in renewable energies.

Ms. Lvova underlined her long experience in working with young people; their involvement as volunteers to clean the forests and national park raises their awareness. She also mentioned the good networking of all Aarhus Centres in Kazakhstan that had developed thanks to OSCE support. However, all Aarhus Centres face challenges in mobilizing resources for their work.

Ms. Uyar stressed that there should be a stronger focus on the quality and outcomes of participation, not only on participation as such. She stated that many declarations and meeting outcomes would repeat the same language and issues, instead of bringing new topics on the agenda.

Mr. Shvarts warned about the environmental risks of the Belt & Road Initiative, which needed more attention. Multilateral Environmental Conventions such as the Aarhus, Helsinki or Espoo Conventions are crucial to ensure transparency and stakeholder involvement in such huge infrastructure projects. He expressed his fear of a declining role of stakeholders.

Mr. Rebernig agreed to the importance of the Belt & Road Initiative.

Working Group I: Enhancing Resource Efficiency and Greening the Economy

Moderator: M. Victoria González Roman, Permanent Representative of Spain to the OSCE

Rapporteur: Mr. Leonid Kalashnyk, Environmental Programme Officer, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Speakers:

- **Mr. Máté Kriza,** Chairman of the Foundation for Circular Economy, Hungary
- **Mr. Jan Lueneburg,** Head of Department, Democratization Department, OSCE Mission to Serbia
- **Mr. Martin Rossmann,** Head, Economic and Environmental Department, OSCE Office in Tajikistan
- **Ms. Elfriede More,** Director, International Environmental Affairs, Federal Ministry of Agriculture, Forestry and Environment, Austria
- **Ms. Lyudmila Shabanova,** Deputy General Director, Eurasian Water Center, Astana, Kazakhstan

The *Moderator*, *Ambassador M. Victoria Gonzalez Roman*, introduced the working group discussion and stressed that the focus should be on formulating recommendations with a focus on enhancing resource efficiency and greening the economy.

Referring to his own presentation on circular economy in Session I, *Mr. Mate Kriza*, *Chairman of the Foundation for Circular Economy*, *Hungary*, Facilitator of the Working Group, reiterated that the OSCE could have a role in supporting pS in the transition from linear economy to circular economy. The OSCE could support pS in strengthening regulatory frameworks and in promoting circular economy through incentives and pricing mechanisms for sustainable use of resources. He underlined that circular economy goes beyond environment and also touches on security aspects.

Mr. Jan Lueneburg, Head of Democratization Department, OSCE Mission to Serbia, Facilitator of the Working Group, shared perspectives on the role of the OSCE in the field of green economy from the viewpoint of a Field Operation. Given the vast network of connections with different actors and limitations in available budgetary resources, the OSCE Field Operations are well placed to play a co-ordinating role in promoting green and circular economy as well as resource efficiency by building on such core OSCE competencies as transparency, participation and connectivity.

Ms. Lyudmila Shabanova, Deputy General Director of the Eurasian Water Center, Astana, Kazakhstan, Facilitator of the Working Group, shared her insights into the OSCE Field

Operation's continued support to green economy initiatives in Kazakhstan, including the Green Bridge Partnership Programme. She stressed the added value brought by the OSCE through forging and consolidating partnerships related to green economy and suggested having a platform for the Green Bridge Partnership at regional level.

Mr. Dmitry Prudtskikh, Environmental Officer, OSCE Programme Office in Bishkek, commented on the role of Aarhus Centres in supporting greening the economy. He stressed the need to engage with business, particularly micro-finance organizations, including through the network of Aarhus Centres. Additionally, the OSCE could provide expert-level support in ensuring informed decisions on environment-related expenditures in the budgetary processes at sectoral and local level.

A representative of the Holy See noted the importance of contributions at grass-roots level for enhancing resource efficiency and greening the economy and highlighted the role of the family as a fundamental cell of the society in this context, including with regard to resource efficiency and climate change.

Mr. Martin Rossmann, Head of the Economic and Environmental Department, OSCE Office in Tajikistan, Facilitator of the Working Group, talked about finding the Organization's comparative advantages to address green economy issues vis-à-vis other actors in a competitive environment. He also noted the importance of identifying what green economy means in a given local context to meet the needs of a host-country. In the Central Asian context, the OSCE could become a bridge-builder and bring in connectivity elements.

A representative of Bosnia and Herzegovina outlined three important areas in which the OSCE could engage: 1) based on green economy criteria for different industries and sectors, the OSCE could support development of feasible green and circular economy strategies with consideration of social, economic, environmental, health and climate change aspects; 2) there are opportunities to access large-scale funding for circular economy within the Global Environment Facility (GEF) which identifies circular economy as one of its current priorities; 3) the OSCE should support education with a focus on circular economy.

Ms. Maral Hojamamedova, Programme Assistant, OSCE Centre in Ashgabat, referred to the need for developing a comprehensive base-line analysis to back national strategies and priories. These analyses could be a first step in developing more sophisticated strategies.

A representative of Tajikistan brought up an example of the country's green economy strategy, which is in the process of implementation. Based on the OSCE platform, there are opportunities to bring in development partners to implement the strategy and priority projects in support of greening the country's economy.

A representative of the Austrian Chairmanship took the floor to share perspectives from the Chairmanship. He noted an equal emphasis on economic and environment/energy aspects that this year's EEF process and the Economic and Environmental Dimension Implementation Meeting maintain. Outcomes of the sessions and working group discussions during the 2nd Preparatory Meeting of the Forum are very important as they strive to discuss the role of the OSCE in green economy and renewable energy, linking them to the added value of the Organization in the security realm.

Ms. Lyudmila Shabanova, Deputy General Director of the Eurasian Water Center, Astana, Kazakhstan, Facilitator of the Working Group, talked of cost-benefit analyses of linear economic models vs. green economy. She pointed out that at political level in many countries in Central Asia strategies related to green economy are already in place. There is ample room for the OSCE to provide a forum for addressing green economy issues given its political weight. She also encouraged further using the Green Bridge Partnership Programme as a platform in this context. Green economy can also create many jobs in practically all sectors.

Mr. Mate Kriza, Chairman of the Foundation for Circular Economy, Facilitator of the Working Group, suggested that the OSCE, not least in view of its field operations, is well placed to promote circular and green economy in partnership with other players such as international organizations, EBRD and others.

Mr. Martin Rossmann, Head of the Economic and Environmental Department, OSCE Office in Tajikistan, Facilitator of the Working Group, reiterated the need for operationalizing what green economy implies in a given country context. He also talked of the need to discuss thoroughly possible ways to institutionally champion the topic of green economy and to match a way forward on green economy with a project-based approach that the Field Operations implement.

Mr. Jan Lueneburg, Head of Democratization Department, OSCE Mission to Serbia, Facilitator of the Working Group, responded to Mr. Rossmann's comments by noting the goals of addressing green economy should be matched with resources available to Field Operations. He pointed to perceived trade-offs between soft security issues like environment and hard security issues when it comes to donors' interest.

Mr. Leonid Kalashnyk, Environmental Programme Officer, OCEEA commented on the OCEEA's efforts in addressing fund-raising issues.

Mr. Mate Kriza, Chairman of the Foundation for Circular Economy, Facilitator of the Working Group underlined that green economy is an economic development issue going far beyond environmental aspects.

Ms. Elfriede More, Director, International Environmental Affairs, Federal Ministry of Agriculture, Forestry and Environment, Austria, Facilitator of the Working Group, inquired about potential differences in the OSCE's perceived convening power across different regions. She also asked about usual counterparts at national level with whom OSCE Field Operations discuss issues related to green economy.

Mr. Jan Lueneburg, Head of Democratization Department, OSCE Mission to Serbia, Facilitator of the Working Group, responded to Ms. More outlining the relevant counterparts and the OSCE's significant convening power in his respective region. On a related note, he indicated that long-term areas of work that do not show immediate results might be difficult to sell within the OSCE and are not necessarily in sync with the Organization's annual budget cycle.

Ms. Nino Malashkhia, Associate Environmental Affairs Officer, OCEEA, outlined a few areas of the OSCE's environmental activities with relevance to greening the economy. These include, inter alia, efforts to help create an enabling environment for the transition to the

green economy, inter alia, through ensuring transparency and effective participation, raising public awareness of decision-makers on the benefits of green economy as well as developing green growth indicators in one participating State.

A representative of the Holy See noted that given the current migration challenges in the OSCE region the OSCE could support formulating balanced and equitable economic, environmental and development policies in the region. He indicated such policies could help decrease migration flows between and within the OSCE pS. Referring to the positive contributions of EXPO 2017 in the context of Central Asia, he highlighted sharing of the expertise and knowledge related to scientific and technological innovation as another important area for the OSCE's conceivable engagement.

Speaking of the potential areas for action related to green economy, *Ms. Elfriede More, Director, International Environmental Affairs, Federal Ministry of Agriculture, Forestry and Environment, Austria*, Facilitator of the Working Group, highlighted the need to develop a good narrative to raise awareness of the linkages between security and green economy, resource efficiency and environmental risks and to promote this narrative and awareness of these linkages effectively within the OSCE, vis-à-vis pS and external actors and in the field. This needs to be complemented with clearly articulated competitive advantages of the organization in view of its comprehensive approach to security and close co-operation with other relevant players. Given its convening power and core values, the OSCE could act as an honest broker in the region and engage many stakeholders, including business, local level authorities and various groups in the society such as youth. Aarhus Centres have a valuable role to play in this process.

Mr. Vladyslav Bielous, Head of Environment Protection Department, Metinvest Holding, Ukraine, suggested that the OSCE could further support raising awareness about unsustainable use of natural resources and resource efficiency among different levels of government and facilitate independent monitoring of the state of environment, including dissemination of relevant data to the public, including youth, and political decision-makers.

Ms. Lyudmila Shabanova, Deputy General Director of the Eurasian Water Center, Astana, Kazakhstan, Facilitator of the Working Group, encouraged further transfer of green technologies with the support of the OSCE.

A representative of an EU-funded project in Central Asia spoke about the importance of the culture of co-operation and consensus for advancing resource efficiency and greening the economy.

Mr. Jan Lueneburg, Head of Democratization Department, OSCE Mission to Serbia, Facilitator of the Working Group, underlined the need for pS to reaffirm green economy's contribution to strengthening security in a Ministerial Council document this year.

Mr. Mate Kriza, Chairman of the Foundation for Circular Economy, Facilitator of the Working Group, commented on the importance of cultural and behavioural aspects to effectively promote circular economy.

A representative of the Austrian Chairmanship noted in response to Mr. Lueneburg's previous comments that an envisioned Ministerial Council Decision on Environmental Cooperation would reaffirm linkages between green economy and security.

A representative of the United States of America inquired about the importance of having concrete taskings for field operations in the envisioned Ministerial Council Decision.

The value of specific taskings was reconfirmed by Mr. Lueneburg.

Ms. Madina Ibrasheva, National Officer, OSCE Programme Office in Astana, underlined the importance of properly economic incentives and involvement of the ministries of finance and economy in addressing green economy as a cross-dimensional issue. The OSCE can contribute to this area given its flexibility, ability to react fast, convening power and political weight. She showcased a number of successful projects and initiatives promoted by the OSCE in Kazakhstan with relevance to green economy.

Ms. Lyudmila Shabanova, Deputy General Director of the Eurasian Water Center, Astana, Kazakhstan, Facilitator of the Working Group, outlined a number of milestone events related to greening the economy and commanded the added value of green economy for business. She reiterated the importance of including long-term financing and technology transfer in the discussions of green economy. International organizations could support these processes on a systematic basis.

Ms. Elfriede More, Director, International Environmental Affairs, Federal Ministry of Agriculture, Forestry and Environment, Austria, Facilitator of the Working Group, spoke of the importance of enabling environment for effective technology transfer.

The *Moderator* underlined the linkages between the strengthening of democratic institutions undertaken within the framework of the Human Dimension and activities in the Economic and Environmental Dimension.

Mr. Mate Kriza, Chairman of the Foundation for Circular Economy, Facilitator of the Working Group, highlighted the niche for the OSCE as a regional security organization given the linkages between the environment, economic development and stability that the field of green economy manifests. In particular, the OSCE's role could be conceived of as that of a facilitator providing a platform for green economy and resource efficiency issues, inter alia, with the support of Aarhus Centres.

Mr. Jan Lueneburg, Head of Democratization Department, OSCE Mission to Serbia, Facilitator of the Working Group reiterated the importance of acknowledging the significant security benefits of greening the economy domestically and at transboundary level through a respective Ministerial Council Decision. Subject to its adoption, this decision would task the OSCE executive structures, including field operations, to concentrate their engagement on core OSCE competencies including connectivity and support to good economic and environmental governance.

Mr. Martin Rossmann, Head of the Economic and Environmental Department, OSCE Office in Tajikistan, Facilitator of the Working Group, noted that the OSCE could consider putting an emphasis on sustainability, circular and economic development.

Ms. Elfriede More, Director, International Environmental Affairs, Federal Ministry of Agriculture, Forestry and Environment, Austria, Facilitator of the Working Group, reiterated her suggestion regarding strengthening a narrative on the interlinkages between environmental policies and security, including how they contribute to conflict prevention. She underlined the value of enabling environment and of the OSCE's political weight and convening power in different countries as well as its significant track-record in engaging different stakeholders.

Ms. Lyudmila Shabanova, Deputy General Director of the Eurasian Water Center, Astana, Kazakhstan, Facilitator of the Working Group, noted the importance of promoting principles of green economy based on security fora provided by the OSCE and fostering enabling environments for investment.

A representative of Bosnia and Herzegovina commended the political will present throughout the discussions to work towards the OSCE's involvement in green economy issues.

A representative of the EU underlined additional potential for policy-level interaction between field operations and delegations of the OSCE pS in Vienna given the importance of informal exchanges for a more comprehensive mutual understanding of relevant developments in the field.

A representative of the United States of America underlined that the strengths of field operations and the Secretariat in the areas related to anti-corruption, fostering favourable investment environments and protection of intellectual property could serve good to facilitate technology transfer issues raised throughout the discussion.

A representative of the Austrian Chairmanship thanked participants and the facilitators for the valuable food for thought generated by this working group discussion.

Working Group II: Contributing to Energy Security through Renewable Energy

Moderator: Ambassador Gréta Gunnarsdóttir, Permanent Representative of Iceland to the OSCE

Rapporteur: Mr. Daniel Kroos, Senior Programme Officer, Energy Security, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Speakers:

- **Mr. Vincent Duijnhouwer**, Associate Director, Energy Efficiency and Climate Change Department, European Bank for Reconstruction and Development, EBRD
- **Mr. Martynas Nagevičius,** President, Renewable Energy Confederation, Lithuania
- **Ms Nadejda Komendantova,** Senior Research Scholar, Institute of Applied Systems Analysis, Energy Transition Programme, Russia
- **Ms. Tahmina Jumaboeva,** Programme Assistant, OSCE Office in Tajikistan

In Working Group II, dedicated to the topic of "Contributing to Energy Security through Renewable Energy", *Ambassador Gréta Gunnarsdóttir, Permanent Representative of Iceland to the OSCE*, Moderator of Working Group II, pointed out that energy is an excellent field for OSCE pS to deepen co-operation and achieve more connectivity. She underlined the importance of involving youth and women, in particular, in order to ensure equal access to energy and to the job skills needed in order to fully benefit of the economic potential that renewable energy and energy efficiency can offer.

Dr. Nadejda Komendantova, Senior Research Scholar, Institute of Applied Systems Analysis, Energy Transition Programme, Facilitator of the Working Group, noted the importance of treating renewable energy and energy efficiency as part of a complex process while moving from quantitative to qualitative growth. She stressed that local communities should be involved in the decision making process. She stated that the perspective of transmission system operators that need to integrate renewable energy into their system as well as the concerns of neighbouring countries need to be incorporated.

A representative from Romania mentioned the strong commitment of Romania to the 2030 Agenda for Sustainable Development including ambitious renewable energy targets, underlining the need to diversify energy supplies while ensuring a balance between conventional and non-conventional energy resources.

Mr. Martynas Nagevičius, President, Renewable Energy Confederation, Lithuania, reminded participants that energy is not only an economic but also a social issue. Raising awareness of

clean energy would be of central importance. He pointed out that Lithuania could be a good model for other countries, but that essentially each country has to find a system that best serves its energy needs and economic and environmental concerns.

A representative from the Association of Energy Companies of Tajikistan outlined the great potential of hydro energy in the country, which exceeds local demand and could supply the entire region with electricity. Seasonal spikes in electricity production are going to be wasted due to a lack of sufficient transmission infrastructure. In order to trade and sell energy in the region as well as to South Asia, new electricity infrastructure has to be constructed. For hydro power, an effective legal framework is in place. In order to discuss energy issues, a special dialogue platform in the region should be established. The centre for water-energy diplomacy, established by the OSCE Office in Tajikistan, should be renewed in order to be able to discuss regional issues. While conditions for solar power in Tajikistan are excellent, solar power has yet to be developed. A law on energy efficiency is already in place.

Ms. Tahmina Jumaboeva, Programme Assistant, OSCE Office in Tajikistan, Facilitator of the Working Group, underlined the potential of hydro power as well as the limited access to power in small villages in Tajikistan. An OSCE project that introduced small hydro power plants in the Rasht valley faced difficulties while trying to import high quality equipment.

Ambassador Gréta Gunnarsdóttir, Permanent Representative of Iceland to the OSCE, underlined that renewable energy from geothermal and hydro is enabling green growth in Iceland. Energy can be a source of building good neighbourly relations. Renewables are a long term commitment that will eventually create a win-win situation.

A representative from Armenia pointed out that small hydro power plants have experienced a boom in Armenia in the last ten years. However, these projects can have negative effects on the environment and tourism. This led to a controversial debate on hydro power in the Armenian society. In Armenia, the OSCE brought together key stakeholders to discuss concerns associated with small hydro power. The speaker emphasized that the OSCE has the necessary convening power and flexibility to form platforms for discussions. Decisions about energy futures should be discussed while including all stakeholders.

Mr. Vincent Duijnhouwer, Associate Director, Energy Efficiency and Climate Change Department, European Bank for Reconstruction and Development, EBRD, facilitator of the Working Group, underlined that the electricity sector in many countries is not liberalized enough to fully integrate renewables. There is a clear link between market reform and changing the energy mix. For more stakeholder engagement, EBRD is striving to bring best practices to facilitate dialogue and raise awareness on renewables with the local population. He stated that it is important that the planned Centre of Excellence for Green Technology and Investment in Astana is aligned with existing international initiatives. EBRD offered to examine together with the OSCE how energy security issues, including political considerations, could be explored from a regional perspective.

Mr. Daniel Kroos, OSCE Senior Programme Officer Energy Security and Rapporteur read out written contributions submitted by Mr. Scott Foster, Director of Sustainable Energy, United Nations Economic Commission for Europe, UNECE on the topic of this Working Group. Mr. Foster stated that it is important to distinguish between affordability of energy and low energy prices. Low energy prices would only serve to encourage over consumption.

Electricity tariffs should reflect costs - whether through a market mechanism or through a regulatory process. He stated that energy poverty is defined as a situation in which a household spends more than 10% of its budget on energy. The OSCE region comprises a large amount of housing that is poorly insulated and energy inefficient. As a consequence, the degree of energy poverty will only be exacerbated by costs associated with moves to address greenhouse gas emissions either through fuel switching or through improvements in energy efficiency. The availability of renewables to provide energy services to remote communities would merit further analysis. Mr. Forster underlined that the potentials for advanced fossil technology and carbon capture and storage as mechanisms for ensuring access while meeting climate objectives must not be ignored.

Prof. Nicolai Shvets, Department Head, World Power Industry Department, Moscow State Institute of International Relations (MGIMO), noted that energy security has become a common human value. However, too many people are left today without electricity access around the world. This is a challenge for organizations, such as the OSCE, to further develop norms for a just distribution of electrical power. This is important to help achieving the SDGs. Innovations in the energy sector are key, which are associated with building interstate energy interconnections, achieving higher speed and supporting energy access around the globe. The Russian Federation is part of a network of technical interstate energy associations uniting more than 500 scientists from 89 countries. The country is an active participant in international power co-operation, with special emphasis on organizing cooperation in the Pacific region. Mr. Shvets mentioned the development of a global solar power based electricity system. The Russian Federation would be ready to further co-operate with other countries on the prospects of developing such energy systems. The OSCE is currently working towards organizing international co-operation in energy. The next step for the OSCE could be to co-ordinate technical efforts and international co-operation on these issues. Furthermore, protecting electricity infrastructure from terrorist attacks, cyber-attacks and natural hazards is necessary. Critical infrastructure needs to be protected for sustainable development.

A representative of Montenegro mentioned that the undersea cable between Italy and Montenegro with a capacity of 1000 MW will be finished in 2018. In the region, renewable energy plays an important role in the energy mix, which can also have a negative impact on the environment. Large hydropower plants would be more effective. He pointed out that strategic energy reserves need to be secured by fossil fuels. If fossil fuels are kept as a backup, renewables can fully be utilized.

A representative from the Holy See underlined that families are a place for education in energy topics.

Ambassador Gréta Gunnarsdóttir, Permanent Representative of Iceland to the OSCE, highlighted the importance to focus on women in energy poverty as well as in creating access to education and green growth and job opportunities.

A representative from Uzbekistan stated that while hydro and solar power offer great potential, in order to achieve energy security, fossil fuels need to be deployed. Building better transmission lines will increase energy security.

A representative from the OSCE Programme Office in Bishkek underscored the importance of working with local communities in energy projects. Political dialogue, including on energy security and renewable energy, is essential to raise awareness to foster an understanding of the challenges ahead. The OSCE could support this task through working with local communities.

A representative from Turkmenistan expressed support for a proposal to educate youth on energy issues, especially on future energy needs, renewable energy and its link to environment.

A representative from the United Kingdom underlined the importance of a regional approach for solving current energy security challenges. The OSCE can add value by creating regional co-operation on the issue, as most obstacles remain not technical but political.

Working Group III: Reducing Environmental Risks and Strengthening Good Environmental Governance

Moderator: Ambassador Roksanda Ninčić, Permanent Representative of Serbia to the OSCE

Rapporteur: Ms. Jenniver Sehring, Environmental Affairs Adviser, Office of the Coordinator of OSCE Economic and Environmental Activities

Speakers:

- Mr. Georg Rebernig, Managing Director, Environment Agency, Austria
- **Ms. Lyudmila Lvova,** Director of the Burabay Aarhus Centre, Kazakhstan
- **Mukhabat Kamarova,** National Environmental Officer, OSCE Office in Tajikistan
- **Ms. Nana Baramidze,** Senior Economic and Environmental Officer, OSCE Programme Office in Bishkek
- **Mr. Yaroslav Yurtsaba**, National Programme Officer, OSCE Project Coordinator in Ukraine

The *Moderator, Ambassador Roksanda Ninčić*, introduced the working group discussion and stressed that the focus should be on environmental risk reduction and how good governance could contribute to it.

Mr. Georg Rebernig, Environmental Agency Austria, outlined that Austria, as an EU member state, is implementing the EU environmental policies with three main approaches: (1) quality of the environment (air, water): standard setting, measurements; (2) emissions to environment (industrial, household and other emissions.): emission limits, measurements, application of best available technologies, (3) products (trade, hazardous characteristics): common product standards in the EU market. He underlined that this toolset can be used for reducing environmental risks; instruments can be binding, voluntary or fiscal. He also emphasized the importance of public participation, as provided for by the Aarhus Convention. Finally, he drew attention to the different levels of environmental governance, including at the level of the EU, EU member states and local administrations and their interlinkages.

A representative of Switzerland stressed that the OSCE can bring added value by making the link between environment and security and outlined three levels of action: (1) diplomatic dialogue, (2) OCEEA support to pS, (3) OSCE field operations' support to their host countries. He underlined that on all these levels, the OSCE can help the implementation of those SDGs that are relevant for security. It can use its convening power to bring experts together for exchange of best practices. The OCEEA can assist all 57 pS, not only those with field operations. The pS/delegations should consult with OCEEA on how to support its needs

and priorities. He stressed the need for a clear mandate of OSCE field operations that allows action in the second dimension.

Ms. Nana Baramidze, OSCE Programme Office in Bishkek, stated that the OSCE field operations work on the political tasks set by the pS as well as on concrete issues demanded by stakeholders in the host country. However, their work is limited by the timeframe of the mandate.

A representative of the 2017 Austrian OSCE Chairmanship agreed that the OSCE as a platform for dialogue can play an important role, even in the absence of adequate level of financial means. He underlined that organizational capacities and expertise are the prerequisites for promoting good environmental governance rather, than big financial investments. He added that the OCEEA provides a platform to tackle environmental risks and disasters at cross-border level and promote regional co-operation, while field operations can assist national governments.

Mr. Yaroslav Yurtsaba, OSCE Project Co-ordinator in Ukraine (PCU), stated that OSCE field operations can promote good environmental governance within their host countries through concrete projects that show its benefits. He mentioned as an example, the PCU's 2011 project on Green Economy which increased the environmental understanding of officials of the Ministry of Economy. However, due to high staff turnover in the host government agencies, the impacts of capacity building may often diminish. He stressed importance of government ownership to achieve sustainability of project results.

A representative of the OCEEA stated that, since the OSCE is a security organization, the work focusses on environmental issues that have security implications. In its work, the OCEEA co-operates with other international organizations in the framework of the ENVSEC. While environmental degradation can contribute to security risks, environmental co-operation can contribute to stability. This two-way linkage is evident in the main working areas of the OCEEA: water, climate change, DRR (disaster risk reduction), hazardous waste, and good environmental governance. OCEEA and field operations have done significant work that has contributed not only to environmental protection, but also to security, e.g. by facilitating transboundary water agreements. Thanks to the Swiss and Serbian Chairmanships, the work on DRR was strengthened, including those related to wildfire management in the South Caucasus, flood risk reduction in the Eastern Europe, and community-based DRR, including in transboundary context.

A representative of the 2017 Austrian OSCE Chairmanship referred to the increased likelihood of disasters due to climate change. He welcomed recent positive statements by another participating State on environmental action and on ratifying relevant multilateral environmental conventions. He asked if there is enough convergence between the EU environmental legal framework, which applies to almost half of the OSCE pS, and the environmental policies of the other half, which is not member of the EU. With reference to the 2014 Western Balkans floods, he commended the close co-operation between Bosnia and Herzegovina and Serbia and inquired about the current state of disaster preparedness.

A representative of Belarus underlined the crucial role of OCEEA in addressing transboundary environmental issues and fostering cross-border co-operation, which should be increased with material and human resources.

A representative of Georgia stressed the interlinkages between environment and security. She underlined the importance of dialogue and co-operation between countries and commended OSCE's recent assessment report of the Kura River as well as its general support to co-operation on natural resources management. She informed about Georgia's first voluntary review on the implementation of the SDGs, which was based on co-ordination among relevant state bodies.

Ms. Nana Baramidze, OSCE Programme Office in Bishkek, informed that the Office has presented its activities in support of the SDGs in Kyrgyzstan in a recent meeting of the OSCE Economic and Environmental Committee (EEC).

A representative of the OSCE Mission to Bosnia and Herzegovina outlined the assistance the Mission provides to the government on environmental issues. He referred to the important role played by the three Aarhus Centres. He added that environmental issues are included in trainings for the security sector. With regard to the OSCE support during the 2014 floods, he informed that five temporary field offices in the most affected areas were established, humanitarian assistance was provided, and for one municipality, a study to increase its preparedness was conducted. Also a regional conference on water quality control was supported.

Mr. Yaroslav Yurtsaba, OSCE Project Co-ordinator in Ukraine, mentioned the Dniester Treaty between Moldova and Ukraine which was developed through a preparatory process that was facilitated by the OSCE and the UNECE and which shows the benefits of transboundary co-operation.

A representative of the Russian Federation said that the OSCE should not be divided into blocs but have an open and constructive dialogue for building security. He underlined the importance of second dimension in this respect.

A representative of the OCEEA underlined that all activities of the OCEEA are based on the mandate given by the 57 pS. He said that given the uncertain future of some field operations, there is a need to think about how the OSCE can continue to work in these countries. He mentioned that the OCEEA has experience in working in countries without field operations, but needs more support from pS to work there effectively. He agreed with previous speakers on the need for more financial resources. He referred to the recent OSCE Ambassadorial Retreat where strong support for environmental activities was expressed. He added that the OCEEA could do much more to foster co-operation, but not with the current limited budget.

Ms. Lyudmila Lvova, Burabay Aarhus Centre, Kazakhstan, briefed about the activities of the Aarhus Centre in working with the local population, authorities and private sector. She underlined the importance of adequate environmental legislation and the need for exchange of and learning from other international experiences.

Mr. Yaroslav Yurtsaba, PCU, stated that financial sustainability was one of the main challenges for Aarhus Centres and inquired about the respective situation in Kazakhstan.

Ms. Lyudmila Lvova, Burabay Aarhus Centre, Kazakhstan, informed that the Aarhus Centres used to receive financial support from the Ministry of Environment until it was dissolved. She indicated that they receive support from OSCE and apply for projects, but resource

mobilization remains challenging. She expressed her hope that the survey on financial sustainability of Aarhus Centres conducted by the OSCE last year would help to find ways to improve the funding situation.

Ms. Nana Baramidze, OSCE Programme Office in Bishkek, presented the example of the Aarhus Centre Georgia, which has been transformed to the Environmental Information and Education Centre of the Ministry of Environment and Natural Resources Protection and plays a crucial role for sustainable development in the country.

A representative of Georgia added that the Environmental Information and Education Centre co-ordinates the development of the second environmental education strategy of the country.

A representative of the OCEEA said that the network of 60 Aarhus Centres serves as a public outreach tool of the OSCE in the environmental field and ensures that environment and security linkages are addressed at local level. In this respect, they are a concrete contribution to SDG 16. A new OCEEA project plans to strengthen their capacities in the transition to green economy.

Mr. Georg Rebernig, Environment Agency Austria, underlined that good environmental governance needs good capacities and expertise, therefore funding for capacity is crucial.

Ms. Nana Baramidze, OSCE Programme Office in Bishkek, informed that the Aarhus Centres in Kyrgyzstan are active in organizing public hearings, addressing transboundary environmental risks, and strengthening environmental journalism. The Office trained more than 40 judges on the Aarhus Convention and environmental legislation. She emphasized that with the right tools and stakeholders, a lot can be achieved with small funds.

A representative of the OSCE Presence in Albania stressed that supporting good environmental governance needs long time horizons. The Presence in Albania has provided trainings on access to justice during the last 10 years, and this year NGOs could make their first court case in Albania. It also requires continuation of OSCE priorities and support. He also underlined the need to narrow the gap between local and national levels, so that e.g. Parliamentarians get to know the situation on the ground better.

A representative of the Habitat Association, Turkey, called to put more focus on youth, for example by including youth representatives in official delegations for international meetings or establishing an advisory youth council at country level. She also suggested that field operations could get more active in the area of green jobs.

A representative of the 2017 Austrian OSCE Chairmanship supported this.

Mr. Georg Rebernig, Environment Agency Austria, mentioned the example of the Austrian platform for green jobs.

A representative of the 2017 Austrian OSCE Chairmanship said that promotion of economic co-operation is one of the Chairmanship's priorities, and that job promotion for young people was among the topics of the First Preparatory Meeting of the 25th EEF.

The Moderator informed that the "Decalogue" of recommendations, submitted to the OSCE pS by the participants of the 2017 OSCE Youth Conference, included the recommendation to enable youth to contribute to the transition to green economies.

Ms. Mukhabat Kamarova, OSCE Office in Tajikistan, informed about the office's support to Tajikistan in joining the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, and to the development of a concept on Green Economy as well as on Ecological Education. She added that these topics are also among the priority areas of the Aarhus Centres' work in Tajikistan, which are mainly located in remote and vulnerable regions of the country.

A representative of the Aarhus Centre Garm, Tajikistan, informed that the Aarhus Centres are conducting many activities with children and young people.

A representative of OCEEA underlined that the strength of the OSCE is to support long-term legislative processes at both national and transboundary level with expertise and facilitation.

Mr. Yaroslav Yurtsaba, OSCE Project Co-ordinator in Ukraine, presented lessons learnt from two projects on environmental education and on digital management of waste in Ukraine. He indicated that both projects faced challenges and resistance by certain stakeholders. In order to overcome these, it was necessary to find a common theme that unites all key parties involved, define a clear joint goal, and mobilize political will to enact change. He added that the PCU is also involved in the assessment of soil pollution in the context of the military conflict in the Donbass region. Working with youth and on environmental education is important to reach the Organization's goals in the long term. He also reminded about the continued value of the 2007 Madrid Declaration on Environment and Security.

A representative of Ireland referred to the 2017 OSCE Youth Conference and inquired how youth could be more engaged in the work of field operations.

A representative of the Habitat Association, Turkey, warned that there might be less interest in involving youth and less interest by youth to be involved. There are good examples on youth participation in several pS, but since funding plays a role, ambitions should be realistic.

A representative of Germany stated that the situation in the Donbass region shows the obvious links between environment and security, and that the second dimension could play a role in the conflict cycle.

Mr. Georg Rebernig, Environment Agency Austria, suggested mapping security and environmental problems in the OSCE area to see where they overlap. He reminded that given good neighbourly relations, environmental problems do not pose a risk to security.

A representative of the Project Co-ordinator in Ukraine stated that Central Asia is a region where environmental risks could lead to conflict. When mapping and prioritizing high value interventions, also the priorities of the host country have to be respected. The OSCE recipe for projects is to combine expertise with public participation.

A representative of the OCEEA explained that assessments of environment and security risks have been a core part of the work of the ENVSEC. Currently, such a mapping is undertaken in the framework of the OSCE-led ENVSEC project on climate change and security. She also drew the attention to the peace pillar of the 2030 Agenda and the important role that the OSCE can play in its implementation,

A representative of the 2017 Austrian OSCE Chairmanship stated that reducing environmental risks in the framework of the conflict cycle is one of the most important topics of the OSCE and it is important to mobilize more resources for this.

A representative of France pointed to the need to strengthen the dialogue between Ministries of Foreign Affairs and Ministries of Environment, as well as between first and second dimension. In this respect, France has suggested to organize a joint committee meeting of the EEC and the FSC (Forum for Security Co-operation).

Concluding Plenary Session

Moderator: Ambassador Kairat Sarybay, Chairperson of the OSCE Economic and Environmental Committee, Permanent Representative of the Republic of Kazakhstan to the International Organizations in Vienna

Rapporteur: Ms. Brigitte Krech, Economic and Environmental Affairs Adviser, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Speakers:

- **Ambassador M. Victoria González Roman**, Moderator of Working Group I
- Ambassador Gréta Gunnarsdóttir, Moderator of Working Group II
- Ambassador Roksanda Ninčić, Moderator of Working Group III
- **Ambassador Vuk Žugić**, Co-ordinator of OSCE Economic and Environmental Activities
- Ambassador Florian Raunig, Head of Task Force for the 2017 Austrian OSCE Chairmanship

Ambassador Kairat Sarybay, Chairperson of the OSCE Economic and Environmental Committee, Permanent Representative of the Republic of Kazakhstan to the International Organizations in Vienna, stressed that 'greening the economy' could offer significant economic and environment benefits as well as to strengthening energy security. The EXPO 2017 area would be used to create a future international energy centre for the development of green technologies. The OSCE could contribute to this initiative by supporting a hub of sustainable development and connectivity, which will promote e.g. energy security and promoting economic connectivity.

Mr. Darren Perdue, Acting Deputy Political Counsellor, United States of America, reported, on behalf of Ambassador González Roman, on the lively debate in Working Group I with a focus on enhancing resource efficiency and greening the economy. The recommendations included that the OSCE pS should re-affirm that greening the economy has significant longterm, both domestic and transboundary, security benefits. The OSCE should also strengthen a narrative on the linkage between environment and security as well as the linkages between green economy and job creation and security. The organization could provide a platform to raise awareness on green economy, resource efficiency, sustainable production and consumption. The engagement with different stakeholders, including youth and women, in the field of sustainable consumption, should be enhanced. Furthermore, the OSCE could support the sharing of experience and knowledge in green economy, circular economy and resource efficiency. The organization could promote engagement of local authorities, the private sector, civil society as well as other international and regional organizations, together with international financial institutions. Partnerships with relevant actors could be facilitated in support of green economy, circular economy and resource efficiency. Here, the comparative advantage of the OSCE – including its field presence and the Aarhus Centres – can play an important role in the transition towards a green economy. Regulatory frameworks of pS could be further strengthened through incentives and pricing mechanisms for sustainable use of natural resources. The work in the field of good governance, anti-corruption and promoting transparency an attractive investment climate should be continued to create an enabling environment for green economy. Mr. Perdue emphasized the close link between green economy and the 2030 Agenda for Sustainable Development.

Ambassador Gréta Gunnarsdóttir, Moderator of Working Group II, presented the outcome of the discussion in Working Group II. In order to reach the SDGs, access to affordable, reliable and sustainable energy would be needed, especially in the electricity sector. Integration of renewable energy sources requires the integration of regional energy networks. The OSCE could be a forum to discuss regional integration of energy networks. This dialogue could enhance closer co-operation with other stakeholders, including UNECE and EBRD, as well as women, youth and families. Renewable energy sources offer environmental benefits and could be seen as an essential driver for green growth and the creation of jobs. The OSCE could support pS in capacity-building and enable informed decision-making on renewable energy, including the support of access for women to the benefits of renewable energy and technical innovation. The planned centre of green technology in Astana can be an important element in these efforts. Good economic governance is required to increase investment in renewable energy sources and might need comprehensive market reforms. Critical energy networks need to be protected against natural hazards, cyber and terrorist attacks. The OSCE could expand its work in this area.

Ambassador Roksanda Ninčić, Moderator of Working Group III, reported on its recommendations, emphasizing that the OSCE's executive structures could support the implementation of the 2030 Agenda for Sustainable Development. The OSCE pS could support the OSCE Secretariat to attract good expertise and decent project funding. The OSCE's field presences could have a clear mandate in the environmental field to allow action in environmental security. The OSCE's executive structures could continue to use mapping tools, where security and environmental hotspots are identified. The Ambassador noted that pS could continue to support the Secretariat to co-ordinate, on cross-border level, to reduce disaster risks. The OSCE field presences could be supported before and after an environmental crisis to increase the level of preparedness. Furthermore, the need to financially support field missions, when environmental emergencies occur, especially during military conflicts, was highlighted. The role of the Second Dimension should be strengthened in the conflict cycle. The co-operation between field missions, Aarhus Centres, local ministries and local businesses could be facilitated. Ambassador Ninčić also emphasized the importance to reach out on youth through digital means. Environmental education in all level needs to be supported. The OSCE executive structures and pS could co-operate with local employment services to create platforms for green jobs.

The floor was opened for discussion.

A representative of the Holy See referred to the discussions of stakeholders in Working Group I, emphasizing the role of the family as one of the stakeholders to be reflected in the recommendations.

Mr. Darren Perdue explained that the OSCE gave particular emphasis to youth and women, which was mentioned in the recommendations. He noted the inclusive focus of the forthcoming summary report of the discussions of this working group.

A representative of Bosnia and Herzegovina referred to other groups, such as single persons and refugees, to name and include them as stakeholders in the discussion.

Ambassador Vuk Žugić, Co-ordinator of OSCE Economic and Environmental Activities, noted that both keynote speakers provided a comprehensive roadmap, while touching upon environmental challenges in the OSCE region and emphasizing an enhanced co-operation to make best use of regional processes. The discussions in the Working Groups, and the recommendations derived, showed that the OSCE is a solid platform for dialogue. Transforming the recommendations into action will require further activities. Green economy including resource efficiency provides an important area for the OSCE to support achieving sustainable development. Amb. Žugić emphasized the responsibility towards future generations. He also briefed on the upcoming Concluding Meeting of the 25th OSCE EEF on 6-8 September in Prague.

Ambassador Florian Raunig, Head of Task Force for the 2017 Austrian OSCE Chairmanship, underlined the importance of resource efficiency and energy security and how to enhance good environmental governance. Many participants pointed to the organizational powers of the OSCE and its structures in view of capacity building, to implementing best practices and the huge potential of confidence building measures in the environmental field. Amb. Raunig highlighted some of the main results of the discussions, mentioning the importance of the private sector in greening the economy. The OSCE is the ideal platform to raise awareness in the field of sustainable management of resources and share best practices among different stakeholders, including the private sector. He noted that closer co-operation in renewable energy sources will have positive impacts on the environment, economy as well as towards security in the OSCE region. A diversified energy mix can help to decrease import dependence, to create jobs and help to boost economy growth, which will lead to more security and stability. It was highlighted that energy security especially depended on good governance. Special emphasis was put on energy connectivity for rebuilding trust and confidence. Amb. Raunig stated that improving good environmental governance was essential to respond to environmental risks in an efficient manner. All stakeholders should be encompassed in successful environmental risk reduction, and the OSCE with the field operations and Aarhus Centres can play a role in education and awareness-raising. The OSCE tool box should also be used to better identify and address environmental threats such as the flooding of coal mines and water infrastructure. Several delegations highlighted that the OSCE, as a platform for dialogue, should play a more relevant role in the future with regards to security related aspects in environment. He gave an overview of the next major meetings and events in the economic and environmental dimension and presented a draft outline to the Ministerial Council Decision in Vienna in December. He underlined that the Austrian Chairmanship put equal emphasis on both pillars of the Second Dimension: economic and environmental aspects of security.

Malta, on behalf of the European Union, emphasized that the debates had offered food-forthought and provided a good opportunity for dialogue and experience-sharing to make economies greener to contribute to stability as well as to increase energy security. Potential areas for future OSCE engagement were identified. The recommendations should be put forward to the Concluding Meeting in Prague and to the Ministerial Council meeting in Vienna in December. The speaker explained with regards to the comprehensive approach to security, environmental cooperation has an important role to, when it comes to alleviating tensions across regions and borders. Furthermore, environmental co-operation on issues such as early warning and conflict prevention can be beneficial. The speaker noted that the OSCE's confidence building potential of the Economic and Environmental Dimension needs to be re-invigorated. The link between climate change and security was stressed. The OSCE was encouraged to deepen the work on this crucial issue with representatives of pS and civil society. The importance of the work of the OSCE's field offices was highlighted.

A representative of Switzerland welcomed and praised the rationale of the OSCE to engage in environmental issues that have a link to security either because they can be a source of conflict or because they could have the potential to confidence-building. The representative recapitulated five environmental clusters, on which the OCEEA is working on: (1) disaster-risk reduction; (2) water, particularly in trans-boundary respect; (3) climate change and the link to the SDG's; (4) hazardous waste and (5) good environmental governance.

A representative of the Holy See thanked for hosting this event. The region of Central Asia will benefit of the EXPO 2017.

A representative of the United States of America welcomed the participation of different stakeholders in the discussion, including civil society, academic experts, government officials, and business representatives to elaborate on opportunities to strengthening security and good governance through green economy and stronger partnerships. The representative emphasized the engagement in the field of clean energy technology, energy security, greener economy, and the global effort on climate change.

Ambassador Sarybay concluded that the best way towards green economy and sustainable future requires effective international co-operation, dialogue and trust, which is the core strength of the OSCE.



Organization for Security and Co-operation in Europe The Secretariat

Vienna, 14 June 2017

25th OSCE Economic and Environmental Forum

"Greening the economy and building partnerships for security in the OSCE region"

SECOND PREPARATORY MEETING

"Greening the economy for sustainable development, security and stability"

Astana, 14-16 June 2017

Nazarbayev University, Kabanbay Batyr Avenue 53, Astana, 010000

ANNOTATED AGENDA

Wednesday, 14 June 2017

- 13:00 Visit of the International Specialized Exhibition "Astana EXPO-2017 Future Energy"
- 16:30 Opening Ceremony of OSCE Booth in the International Pavilion, Plaza "International Organizations", cluster C2.1-5

Welcoming remarks:

- **H.E. Kairat Abdrakhmanov**, Minister of Foreign Affairs, Kazakhstan
- Ms. Christine Muttonen, President of OSCE Parliamentary Assembly
- **Ambassador Florian Raunig**, Head of 2017 OSCE Austrian Chairmanship Task Force
- Ambassador Madina Jarbussynova, Special Representative and Coordinator for Combatting Trafficking in Human Beings, OSCE

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

18:30 Welcome reception hosted by Austrian Chairmanship, Astana Music Hall, Baurzhan Momyshuly 1, Astana 010000 (by invitation only)

Thursday, 15 June 2017

09:30 -11:00 Opening Session

Welcoming remarks:

- **Mr. Roman Vassilenko**, Deputy Minister of Foreign Affairs of the Republic of Kazakhstan
- **Ambassador Florian Raunig**, Head of 2017 OSCE Austrian Chairmanship Task Force
- **Ambassador Vuk Žugić,** Co-ordinator of OSCE Economic and Environmental Activities

Keynote speeches:

The role of parliamentarians in supporting the transition to green economy

- Ms. Christine Muttonen, President of OSCE Parliamentary Assembly

Green economy and sustainable development: OSCE role and contribution to the implementation of the 2030 Agenda for Sustainable Development

- **Mr. Daniele Violetti**, Chief of Staff, United Nations Framework Convention for Climate Change, UNFCCC

Moderator: Mr. Andreas Stadler, Minister Plenipotentiary, Deputy Head of Mission for the Economic and Environmental Dimension, Permanent Mission of Austria to the OSCE, 2017 Austrian OSCE Chairmanship

Rapporteur: Mr. Roman Romanovsky, Deputy Permanent Representative of the Republic of Belarus to the OSCE

Statements by Delegations/Discussion

11:00 -11:30 Coffee/Tea Break

11:30 -13:00 Economy

Session I: Enhancing Resource Efficiency and Greening the

Selected topics:

- Security benefits of green economy and sustainable development
- Circular economy in support of resource efficiency, climate action and sustainable development
- Resource efficiency as part of environmental policies
- The role of the private sector in transition to green economy
- Enabling conditions for green growth and job creation

Moderator: Ambassador M. Victoria González Roman, Permanent Representative of Spain to the OSCE

Rapporteur: Mr. Leonid Kalashnyk, Environmental Programme Officer, Office of the Coordinator of OSCE Economic and Environmental Activities

Speakers:

- **Mr. Gani Sadibekov**, Vice Minister of Energy of Kazakhstan, Co-Chair of the GREEN Action Programme Task Force
- **Mr. Máté Kriza**, Chairman of the Foundation for Circular Economy, Hungary
- **Ms. Elfriede More**, Director, International Environmental Affairs, Federal Ministry of Agriculture, Forestry and Environment, Austria
- **Prof. Sergei Melnov**, Director, Republican Research Unitary Enterprise, Belarusian Research Center for Ecology
- **Mr. Vladyslav Bielous**, Head of Environment Protection Department, HSE Direction, Metinvest Holding, Ukraine

Discussion

13:00-14:30 Lunch break

14:30-16:00 Session II: Contributing to Energy Security through Renewable Energy

Selected Topics:

- Renewable energy, energy security and green growth
- Renewable energy in support of climate action and sustainable development
- Enabling conditions for renewable energy
- Benefits of co-operation to promote renewable energy in the OSCE area

Moderator: Ambassador Gréta Gunnarsdóttir, Permanent Representative of Iceland to the OSCE

Rapporteur: Mr. Daniel Kroos, Senior Programme Officer, Energy Security, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Speakers:

- **Mr. Scott Foster**, Director of Sustainable Energy, United Nations Economic Commission for Europe, UNECE
- **Mr. Vincent Duijnhouwer**, Associate Director, Energy Efficiency and Climate Change Department, European Bank for Reconstruction and Development, EBRD
- **Mr. Martynas Nagevičius**, President, Renewable Energy Confederation, Lithuania
- **Mr. Tobias Baumann**, Executive Director, German-Azerbaijani Chamber of Commerce
- Mr. Peter du Pont, Senior Climate Change Advisor, USAID Asia

Discussion

16:00 -16:30 Coffee/Tea Break

16:30 -18:00 Session III: Reducing Environmental Risks and Strengthening Good Environmental Governance

Selected topics:

- Security implications of climate change and environmental degradation
- Environmental aspects of the 2030 agenda for Sustainable Development
- Transparency and stakeholder participation
- Education, awareness raising and participation of youth
- Benefits of co-operation to promote good environmental governance in the OSCE area

Moderator: Ambassador Roksanda Ninčić, Permanent Representative of Serbia to the OSCE

Rapporteur: Ms. Jenniver Sehring, Environmental Affairs Adviser, Office of the Coordinator of OSCE Economic and Environmental Activities

Speakers:

- **Mr. Georg Rebernig**, Managing Director, Environment Agency, Austria
- **Ms. Lyudmila Lvova**, Director of the Burabay Aarhus Centre, Kazakhstan
- **Dr. Evgeny Shvarts**, Director of Conservation Policy, WWF, Russian Federation
- Ms. Yasemin Uyar, Advisory Board Member, Habitat Association, Turkey
- **Mr. Yeldos Abakanov**, Project Manager, Coalition for "Green Economy" and G-Global development, Kazakhstan

Discussion

18:30 Reception hosted by the Republic of Kazakhstan (Nazarbayev University)

Friday, 16 June 2017

09:30-11:00 Working Group I: Enhancing Resource Efficiency and Greening the Economy

Moderator: Ambassador M. Victoria González Roman, Permanent Representative of Spain to the OSCE

Rapporteur: Mr. Leonid Kalashnyk, Environmental Programme Officer, Office of the Coordinator of OSCE Economic and Environmental Activities

Facilitators:

- **Mr. Máté Kriza**, Chairman of the Foundation for Circular Economy, Hungary

- **Mr. Jan Lueneburg**, Head of Department, Democratization Department, OSCE Mission to Serbia
- **Mr. Martin Rossmann**, Head, Economic and Environmental Department, OSCE Office in Tajikistan
- **Ms. Elfriede More**, Director, International Environmental Affairs, Federal Ministry of Agriculture, Forestry and Environment, Austria
- **Ms. Lyudmila Shabanova**, Deputy General Director, Eurasian Water Center, Astana, Kazakhstan

09:30-11:00 Working Group II: Contributing to Energy Security through Renewable Energy

Moderator: Ambassador Gréta Gunnarsdóttir, Permanent Representative of Iceland to the OSCE

Rapporteur: Mr. Daniel Kroos, Senior Programme Officer, Energy Security, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Facilitators:

- Mr. Vincent Duijnhouwer, Associate Director, Energy Efficiency and Climate Change Department, European Bank for Reconstruction and Development, EBRD
- Mr. Martynas Nagevičius, President, Renewable Energy Confederation, Lithuania
- **Dr. Nadejda Komendantova**, Senior Research Scholar, Institute of Applied Systems Analysis, Energy Transition Programme, Russia
- **Ms. Tahmina Jumaboeva**, Programme Assistant, OSCE Office in Tajikistan

09:30-11:00 Working Group III: Reducing Environmental Risks and Strengthening Good Environmental Governance

Moderator: Ambassador Roksanda Ninčić, Permanent Representative of Serbia to the OSCE

Rapporteur: Ms. Jenniver Sehring, Environmental Affairs Adviser, Office of the Coordinator of OSCE Economic and Environmental Activities

Facilitators:

- Mr. Georg Rebernig, Managing Director, Environment Agency Austria

- Ms. Lyudmila Lvova, Director of the Burabay Aarhus Centre, Kazakhstan
- **Ms. Mukhabat Kamarova**, National Environmental Officer, OSCE Office in Tajikistan
- **Ms. Nana Baramidze**, Senior Economic and Environmental Officer, OSCE Programme Office in Bishkek
- **Mr. Yaroslav Yurtsaba**, National Programme Officer, OSCE Project Co-Ordinator in Ukraine

11:00-11:30	Coffee/Tea Break
11:30-13:00	Working Group I: Enhancing Resource Efficiency and Greening the Economy (continued)
11:30-13:00	Working Group II: Contributing to Energy Security through Renewable Energy (continued)
11:30-13:00	Working Group III: Reducing Environmental Risks and Strengthening Good Environmental Governance (continued)
13:00-14:30	Lunch Break
14:30-16:00	Concluding Plenary Session

Selected Topics:

- Presentation by moderators of the three Working Groups: lessons learned and priority areas for future discussion and increased cooperation
- Outlook to the Concluding Meeting of the 25th OSCE Economic and Environmental Forum (6-8 September 2017 in Prague)

Moderator: Ambassador Kairat Sarybay, Chairperson of the OSCE Economic and Environmental Committee, Permanent Representative of the Republic of Kazakhstan to the International Organizations in Vienna

Rapporteur: Ms. Brigitte Krech, Economic and Environmental Affairs Adviser, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Speakers:

- **Ambassador M. Victoria González Roman**, Moderator of Working Group I
- Ambassador Gréta Gunnarsdóttir, Moderator of Working Group II
- Ambassador Roksanda Ninčić, Moderator of Working Group III
- **Ambassador Vuk Žugić**, Co-ordinator of OSCE Economic and Environmental Activities
- **Ambassador Florian Raunig**, Head of Task Force for the 2017 Austrian OSCE Chairmanship

Closing Statements

19:30 OSCE Concert, Ms. Luisa Sello and the Orchestra of the Kazakh National University of Arts, Organ Hall of the Kazakh National University of Arts, Zhenis Avenue 33, Astana Distributed at the request of the Austrian OSCE Chairmanship

EEF.DEL/40/17 30 June 2017 OSCE+ ENGLISH only

Second Preparatory Meeting of the 25th OSCE Economic and Environmental Forum Astana, 14 – 16 June 2017

Recommendations for the OSCE from Working Groups I-III

WORKING GROUP I: ENHANCING RESOURCE EFFICIENCY AND GREENING THE ECONOMY

- 1. OSCE participating States should reaffirm that greening the economy has significant long-term domestic and transboundary security benefits. The OSCE should strengthen the linkages between environment and security, as well as the linkages between green economy (including job creation) and security.
- 2. The OSCE, given its convening power and its role as an honest broker, could serve as a platform to raise awareness about the importance of green economy, resource efficiency, sustainable production and consumption. For this purpose, the OSCE should engage with different stakeholders, including youth and women, in the area of sustainable consumption.
- The OSCE could support sharing of experience and knowledge as well as education in the field of green economy, circular economy and resource efficiency.
- 4. The OSCE could **promote stakeholder engagement** of local authorities, private sector and civil society as well as other international and regional organizations and international financial institutions.
- 5. The OSCE could **facilitate partnerships with relevant actors** in support of green economy, circular economy and resource efficiency. It should leverage its comparative advantages, including its local presence **through Field Operations and the network of Aarhus Centres**, to support the transition to green economies.
- 6. The OSCE could further support participating States in **strengthening regulatory frameworks** and in promoting circular economy through incentives and pricing mechanisms for sustainable use of resources.
- 7. The OSCE should continue its work in the areas of, inter alia, good governance, anti-corruption, promoting transparency and attractive investment climate to create an enabling environment for green economy, sustainable growth, and

- **transfer of green technologies**, including through OSCE efforts to build strong and independent institutions and to strengthen the rule of law.
- 8. Participants underlined the close links between green economy and the **2030 Agenda for Sustainable Development**. Furthermore, the **role of the family** in promoting sustainability and the protection of the environment was underlined.

WORKING GROUP II: CONTRIBUTING TO ENERGY SECURITY THROUGH RENEWABLE ENERGY

- 1. The OSCE can contribute to the Sustainable Development Goals. In order to reach the **Sustainable Development Goals**, we need to ensure access to reliable, affordable and sustainable energy. This is especially relevant for the electricity sector.
- 2. Integration of renewable energy requires closer integration of regional energy networks. While technically possible, political obstacles to integration remain. The OSCE could be a forum to discuss regional integration of energy networks. In this dialogue, it should explore closer co-operation with other stakeholders, including UNECE and the EBRD.
- 3. Renewable energy offers not only environmental benefits, it is an essential driver for green growth and job creation. The OSCE can support participating States in building capacity and enable informed decision-making on renewable energy, including a special emphasis on supporting access of women to the benefits of renewable energy, technical innovation and legal frameworks. The planned Centre of Green Technologies and Investments in Astana can be an important element of these efforts.
- 4. **Increasing investments** in the renewable energy sector requires good economic governance and often comprehensive market reform.
- 5. The OSCE can expand its work in ensuring energy security, acknowledging that **critical energy networks** need to be **protected** against natural hazards, terrorist and cyber-attacks.
- 6. Consultations with relevant stakeholders should be considered on local, national, and regional levels.

WORKING GROUP III: REDUCING ENVIRONMENTAL RISKS AND STRENGTHENING GOOD ENVIRONMENTAL GOVERNANCE

- 1. The OSCE executive structures should support the implementation of the **2030 Sustainable Development Goals.**
- 2. Participating States should support the OSCE Secretariat to **attract good expertise** and **decent funding** for crucial projects.
- 3. OSCE's participating States and host countries should give a **clear environmental mandate** to field missions in order to allow action in environmental security.
- 4. The OSCE executive structures should focus on environmental issues that have very **clear security implications** by using the existing mapping tools where security and environmental hotspots are identified.
- 5. Field missions and Aarhus Centres should work on **existing environmental threats**, which are **demanded by stakeholders** including grassroots and civil society.
- 6. Participating States should support the OSCE Secretariat to work and coordinate on **cross-border level** in order to tackle environmental challenges and reduce disaster risks.
- 7. OSCE executive structures should support field missions **before and after environmental crises** to increase the **level of preparedness.**
- 8. OSCE and participating States should continue to **financially support** field missions when environmental emergencies and disasters occur, especially during military conflicts.
- 9. Participating States should **strengthen the role of the second dimension in conflict cycle** in order to increase OSCE's engagement in this field.
- 10. The OSCE Secretariat and participating States should **facilitate cooperation** between field missions/Aarhus Centres and local ministries/businesses.
- 11. The OSCE Secretariat and participating States should support Aarhus Centres to **bring parliament and local authorities together** in order to work on the 3rd pillar of the Aarhus Convention: **Access to Justice** even if this process takes many years.
- 12. OSCE executive structures should reach out to **youth** through **digital** means if there are no good environmental governance structures.
- 13. The OSCE Secretariat should continue to support Aarhus Centres and field missions to establish **primary**, **secondary and university environmental education**.
- 14. OSCE executive structures and participating States should cooperate with **local employment services** to create platforms for **green jobs**.