

Vienna, 4 February 2011

19TH OSCE ECONOMIC AND ENVIRONMENTAL FORUM

“Promotion of common actions and co-operation in the OSCE area in the fields of development of sustainable energy and transport”

FIRST PREPARATORY MEETING

(DEVELOPMENT OF SUSTAINABLE ENERGY)

Vienna, 7-8 February 2011

ANNOTATED DRAFT AGENDA

Monday, 7 February

09.30 – 10.30

Opening Session

Welcoming remarks:

- **Mr. Egidijus Meilunas**, Vice Minister of Foreign Affairs of Lithuania, 2011 OSCE Chairmanship
- **Ambassador Marc Perrin de Brichambaut**, OSCE Secretary General
- **Mr. Goran Svilanovic**, Co-ordinator of OSCE Economic and Environmental Activities

Statements by Delegations

10.30 – 11.00

Coffee/Tea break (Press Conference)

11.00 – 13.00

Session I – Energy Challenges in the 21st century

Selected topics:

- Recent global developments in the energy markets
- The linkages between energy, the environment and climate change
- The role of energy in underpinning economic development
- Protection of critical energy infrastructure

Selected issues proposed for discussion:

What have been the recent global developments in the energy markets? What are the linkages between energy, the environment and climate change? What is the role of energy in underpinning economic development? What are the key challenges related to the protection of critical energy infrastructure?

It has been projected that fossil fuels will remain an important part of the energy mix for the foreseeable future. The “peak oil” theory holds that there will be a point in time that the maximum rate of global petroleum extraction will be reached, after which production will go into decline. Given the predictions of “peak oil”, what are the environmental consequences of failing to transition to renewable energy sources? How can the OSCE assist participating States to best facilitate this transition?

How can small-scale renewable energy sources help to alleviate energy poverty in particular in remote areas? What are most successful examples of such OSCE supported projects?

Governments and private companies tend to look at the security question differently. What can be done to harmonize the public-private approach to energy security, and what role does the OSCE have in facilitating this harmonization?

Moderator: Ambassador Viacheslav Kniazhnytskyi, Ambassador-at-large for Energy Security, Ministry for Foreign Affairs of Ukraine

Rapporteur: Ms. Elif Çalışkan, Permanent Mission of Turkey to the OSCE

Presentations followed by discussion:

- **Dr. Thomas B. Johansson**, Co-Chair, Global Energy Assessment, International Institute for Applied Systems Analysis (IIASA), Austria; Professor, Lund University, International Institute for Industrial Environmental Economics, Sweden
- **Dr. Frank Umbach**, Senior Associate and Head of the International Energy Security Programme, Centre for European Security Strategies (CESS GmbH), Munich-Berlin, Germany; Associate Director, European Centre for Energy and Resource Security (EUCERS), King's College, London, United Kingdom
- **Mr. Julijus Grubliauskas**, Officer, Energy Security Section, Emerging Security Challenges Division, North Atlantic Treaty Organization (NATO)
- **Ambassador Audrius Brūzga**, CEO of Energy Security Centre, Lithuania

13.00 – 14.30 Lunch break

14.30 – 16.00 Session II – Energy efficiency and sustainable use of traditional and new energy sources

Selected topics:

- Promoting energy efficiency through technological innovation
- Developing cleaner and renewable energy sources
- Diversification of the energy mix
- Examples of best practices from various energy sectors (oil, gas, hydropower, renewable and alternative sources, etc.)

Selected issues proposed for discussion:

On the background of ongoing international efforts, public and private, what is the OSCE role in promoting energy efficiency through technological innovation, developing cleaner and renewable energy sources, and diversification of the energy mix?

Looking at different renewable energy sources, why is it that in many countries wind has taken the lead over other types of sources, such as solar?

What are the most relevant examples of best practices from various energy sectors (oil, gas, hydropower, renewable and alternative sources, etc.)? What is being done to “export” best practices in energy efficiency to developing countries? How can the OSCE help to facilitate the exchange of best practices?

The transition from fossil fuels to renewable sources of energy is not just about proposing investment plans; there is a geopolitical aspect as well. The production of certain rare earth minerals - used in batteries and other technical innovations needed to tap renewable energy sources - tends to be geographically concentrated. Some Participating States and Partners for Co-operation are reported to have sizable deposits of rare earth elements. Given this context, what is the role for the OSCE?

Price fluctuations in one type of energy (for example natural gas) impact the development of renewable sources of energy. What would be the best way to facilitate price stability - and therefore provide a more stable investment climate: would it be best to stabilize the long-term natural gas price, or to use other mechanisms to smooth out pricing? Or should market forces exclusively be allowed to "pick" winners and losers?

Moderator: Mr. Marc Baltès, Deputy Co-ordinator / Head, Environmental Activities, OCEEA/OSCE Secretariat

Rapporteur: Ms. Katalin Móder, Permanent Mission of Hungary to the OSCE

Presentations followed by discussion:

- **Mr. Gianluca Sambucini**, Secretary of the Committee on Sustainable Energy, Sustainable Energy Division, United Nations Economic Commission for Europe (UNECE)
- **Dr. Pradeep Monga**, Director, Energy and Climate Change Branch, PTC Division, United Nations Industrial Development Organization (UNIDO)
- **Dr. Karin Kneissl**, Energy Expert, Lecturer at the Webster University, Vienna, Austria
- **Mr. Oswaldo Tapia**, Head, Energy Studies Department, Organization of Petroleum Exporting Countries (OPEC)

16.00 – 16.30 Coffee/Tea break

16.30 – 18.00 Session II - continued

Moderator: Mr. Boyko Nitzov, Director of Programs, Dinu Patriciu Eurasia Center, the Atlantic Council, United States

Rapporteur: Ms. Nana Baramidze, Environmental Officer, OSCE Office in Tajikistan

Presentations followed by discussion:

- **Mr. Miroslav Tesic**, Chief Technical Officer, Turbina IPD, Bosnia and Herzegovina
- **Dr. Thomas Jung**, Vice-President, Strategic Analyses and Concepts, E.ON Ruhrgas AG, Germany
- **Mr. Andrea Marroni**, Programs, Capacity Building and Outreach, International Renewable Energy Agency (IRENA)
- **Mr. Slavtcho Neykov**, Director, The Energy Community

18.00 Reception hosted by the Lithuanian 2011 OSCE Chairmanship (Wintergarten, Hofburg)

Tuesday, 8 February

09.30 – 11.00 Session III – Effective national policies for sustainable energy

Selected topics:

- Public-private dialogue and co-operation for sustainable energy and energy efficiency
- Attracting investment in the energy sector, including in development of renewable sources
- Dissemination of and access to new and clean energy technologies
- Research and development and scientific co-operation
- Examples of national efforts towards effective energy policies

Selected issues proposed for discussion:

What type of policies can effectively stimulate research and development, scientific co-operation, and dissemination of and access to new and clean energy technologies? How can the public-private dialogue and co-operation for sustainable energy and energy efficiency be supported?

Nothing operates in a vacuum. When the price of any single fuel source falls (see natural gas in North America), it tends to change consumption patterns. This in turn tends to change the economics of developing other fuel sources. Within this context, how can participating States minimize potential disruptions in the development of renewable energy sources?

The attraction of investment capital and development of new energy industries is often held back due to the lack of a supportive legislative base or legal framework. Should a developing country update its energy legislation completely on its own, or should the legislative base of other jurisdictions be copied or adopted?

In some countries, renewable energy projects are being undertaken by both “green start-up” companies, as well as by carbon-energy (coal and oil) companies which are expanding the energy mix of their portfolios. This energy mix expansion is likely due to anticipated offsets in tradable carbon credits. What is the most effective stimulus for renewable energy projects: tax credits, tradable carbon credits, carbon taxes, mandates for a renewable portion of electricity by a distributor, direct subsidy, or some other policy?

Moderator: Mr. Sigurd Heiberg, Chairperson, UNECE Committee on Sustainable Energy; Advisor, Strategic Advisory Council, Statoil ASA, Norway
Rapporteur: Mr. Viet-Luan Nguyen, Permanent Representation of France to the OSCE

Presentations followed by discussion:

- **Mr. Patrice Geoffron**, Professor of Economics, Director, LEDa-CGEMP Laboratory of Economics, Dauphine Center for Geopolitics of Energy, University of Paris-Dauphine, France
- **Dr. Vladimir Kouzmitch**, General Director, CJSC "Belvneshenergo", Republic of Belarus
- **Mr. Furkat Kadyrov**, Director of the Tajik-Norwegian Centre for Small Hydro Power Development, Tajikistan
- **Mr Bojan Kovacic**, Director of the Energy Efficiency Agency of the Republic of Serbia

11.00 – 11.30 Coffee/Tea break

11.30 – 13.00 Session IV – Good governance and transparency in the energy field

Selected topics:

- Promoting good governance in the energy sector
- Corporate responsibility and the environment
- Transparency of policies and projects, including Extractive Industries Transparency Initiative (EITI)

Selected issues proposed for discussion:

Within the OSCE area, what are the recent developments regarding good governance in the energy sector, transparency of policies and projects? What are specific country experiences, success stories, as well as areas for improvement related to EITI implementation?

The last decade saw several examples of corporate malfeasance in developed countries. In response, governments imposed rules which mandated more structured corporate governance and the introduction of documented internal controls. When promoting “good governance” in the energy sector, to what degree would an emphasis on enhanced internal controls with an organization’s operations be helpful?

Which best practices pertaining to corporate responsibility and the environment currently in use are “exportable” to other OSCE area countries?

Moderator: Mr. Anthonius De Vries, Coordinator, UNECE & OSCE economic and environmental issues, European External Action Service

Rapporteur: Mr. Robert Mangham, Economic and Environmental and Regional Officer, OSCE Presence in Albania

Presentations followed by discussion:

- **Mr. Shahmar Movsumov**, Executive Director of State Oil Fund of the Republic of Azerbaijan
- **Mr Jürgen Reitmaier**, Senior Advisor, Extractive Industries Transparency Initiative (EITI) International Secretariat

- **Mr. Nokolai Kravtsov**, Expert-consultant, Administration of the President of the Kyrgyz Republic
- **Ms. Isabel Munilla**, Director, Publish What You Pay, United States of America

13.00 – 14.30 Lunch break

14.30 – 16.00 Session V – Regional and sub-regional co-operation on sustainable energy in the OSCE area

Selected topics:

- Examples of co-operation
- Sharing of best practices

Selected issues proposed for discussion:

What is the role of regional organizations and arrangements in the area of sustainable energy in the OSCE area? How can they best achieve synergies in this area?

Given the wealth of information, research papers and other materials related to energy issues available internationally, what can the OSCE do to facilitate the transfer of expert knowledge from experts to policy makers?

Various forms of co-operation at regional and sub-regional level, addressing various energy related aspects, have been developed across the OSCE area. What can be done to improve the exchange of information on these examples of co-operation and to facilitate the sharing of best practices?

Moderator: **Ambassador Vytautas Naudužas**, Ambassador-at-Large for Energy and Transport Policy Issues, Economic Security Policy Department, Ministry of Foreign Affairs of the Republic of Lithuania, 2011 OSCE Chairmanship

Rapporteur: **Mr. William Hanlon**, Economic and Environmental Officer, OSCE Office in Yerevan

Presentations followed by discussion:

- **Ms. Thea Khitarishvili**, Senior Expert, Energy Charter Secretariat
- **Ambassador Traian Chebeleu**, Deputy Secretary General, Organization of the Black Sea Economic Co-operation
- **Dr. Bulat Yessekin**, Special Representative for the “Green Bridge Partnership Program”, Ministry of Environmental Protection, Kazakhstan

16.00 – 16.30 Coffee/Tea break

16.30 – 17.30 Concluding Debate - The role of the OSCE in promoting sustainable energy solutions

Facilitator: **Dr. Karin Kneissl**, Energy Expert, Lecturer at the Webster University, Vienna, Austria

Rapporteur: **Mr. Richard Wheeler**, Special Adviser, OCEEA/OSCE Secretariat

17.30 – 18.00

Closing Statements

- **Mr. Goran Svilanovic**, Co-ordinator of OSCE Economic and Environmental Activities
- **Mr. Andrius Krivas**, Deputy Permanent Representative, Permanent Mission of the Republic of Lithuania to the OSCE, Lithuanian OSCE Chairmanship