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REPORT BY THE CHAIRPERSON OF THE

CONTACT GROUP WITH THE ASIAN PARTNERS FOR CO-OPERATION

TO THE
TWENTY-FIFTH MEETING OF THE
MINISTERIAL COUNCIL

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During its Chairmanship of the Asian Contact Group in 2018, Austria focused on further promoting and strengthening an open and inter-active dialogue between the participating States and the Asian Partners for Co-operation. In elaborating the agenda of the Asian Contact Group, Austria worked with the Italian OSCE Chairmanship and in particular the Asian Partners to ensure the agenda reflected their priorities and followed a demand-driven approach.

In 2018, five meetings of the Asian Contact Group were held in Vienna, allowing the OSCE participating States and Asian Partners to engage in timely discussions of pertinent issues of interest to all sides and share best practices and experiences with each other.

The topics of the meetings were chosen in consultation with the Asian Partners in order to ensure that the agenda corresponds to the interests and concerns of the individual Asian Partner countries and supports the priorities of the OSCE Chairmanship. Each meeting featured speakers from one of the Asian Partner countries as well as presentations on the chosen topics by experts from international organizations, private sector, academia and civil society.

In the first meeting of the Asian Contact Group, held on 9 March, Deputy Assistant Minister/ Deputy Director-General of the Foreign Policy Bureau at the Ministry of Foreign Affairs of Japan and Ambassador in charge of Cyber Policy and UN Affairs H.E. Masato Otaka presented aspects of the recent global cybersecurity landscape and Japan's cybersecurity diplomacy. As he shared his vision for co-operation in this area, Ambassador Otaka noted that in order to produce innovation and prosperity, cyberspace needed to be a free, fair and secure domain. He suggested that Japan would strive to play an active and key role in securing peace and stability in the region and the international community by becoming a bridge between Europe and Asia, including on cyber related issues. Dr. Helmut Schnitzer, Head of Section for Security policy matters of the Austrian Federal Chancellery, gave a brief overview of the Austrian Cyber Security Strategy adopted in 2013. He paid particular attention to the opportunities and risks in cyber space and focused also on the increasingly important role of the measures to improve cyber security at the EU level. Ambassador Károly Dán, Permanent Representative of Hungary to the OSCE and Chair of the Informal Working Group established by PC Decision 1039, shared some key elements of discussion on ICT and cyber security within the OSCE. He reported on his participation at the 1st Open Ended Study Group on CBMs to Reduce the Risk of Conflict Stemming from the use of ICTs, held in Tokyo on 18 January and stressed the OSCE's primary role with its 16 confidence-building measures aimed at enhancing interstate transparency, predictability, and stability, and to reduce the risks of misperception, escalation, and conflict that may stem from the use of ICTs.

The <u>second meeting</u> of the Asian Contact Group, held on 15 June, was dedicated to the topic of economic connectivity and financial technology innovations, with a special focus on challenges to cyber security and opportunities for securing Sustainable Development Goals (SDGs). The meeting featured presentations by Mr. Prinn Panitchpakdi, Governor on the Board of Governors of the Stock Exchange of Thailand and Director of the Association of

Thai Securities Companies, Dr. Helmut Leopold, Head of the Center for Digital Safety and Security at the Austrian Institute of Technology, and Ms. Nadine Damblon, Co-founder and CEO of HydroMiner It-Services GmbH. In the course of the meeting, the speakers stressed the need for governments and organizations to devise and implement a robust cyber security infrastructure, with an emphasis on financial technology innovation and development. The speakers highlighted opportunities, but also risks of cyber currencies, such as cybercrime or the quantity of energy used to generate cyber money.

The OSCE Secretary General personally addressed the <u>third meeting</u> of the Asian Contact Group, held on 1 October, and suggested to look for further opportunities to engage the Partners into OSCE internal discussions and activities. He further highlighted that this year marked Afghanistan's 15th anniversary as Partner for Co-operation of the OSCE and encouraged to look into a more strategic approach to the OSCE's co-operation with Afghanistan.

The meeting was dedicated to two topics: Regional Co-operation and Women's Economic Empowerment. Mr. Hassan Soroosh, Director General of the Economic Co-operation Department at the Ministry of Foreign Affairs of the Islamic Republic of Afghanistan, delivered a presentation on priorities and needs in and around Afghanistan in the area of infrastructure development and regional connectivity. He emphasized that for complex and large scale regional infrastructure projects an effective partnership among all partners including governments, relevant international financial institutions and regional organizations, and various national stakeholders was essential. For Afghanistan, such projects as CASA 1000, TAP 500-KV, Lapis-Lazuli Route Agreement, Five Nations Railway Corridor, The Belt and Road Initiative etc. played a vital role. He also saw a need for greater synergy and complementarity between these regional and sub-regional initiatives to properly reflect their infrastructure development component.

H.E. Khojesta Fana Ebrahimkhel, Ambassador of Afghanistan in Vienna, focused her presentation on the crucial link between regional co-operation and women's economic empowerment in Afghanistan where despite the progress in recent years, much remained to be done. Still, the increased will of the national government to address gender inequality and empower women would push women's rights forward. Mr. Daniyar Seidaliyev, Deputy Director of the Department of the Americas at the Ministry for Foreign Affairs of the Republic of Kazakhstan, described his country's concrete support to Afghanistan, which particularly focused on the educational sector. Deputy Co-ordinator of OSCE Economic Activities, Ms. Ermelinda Meksi, noted in her presentation that the OSCE recognized the direct impact of long-term security in Afghanistan for the security environment in the OSCE region. She invited participating States to continue consultations within the OSCE Asian Partnership with a view to develop OSCE activities across the three dimensions, including those concerning Afghanistan.

The <u>fourth meeting</u> of the Asian Contact Group was held on 12 October, with a focus on trade facilitation. H.E. Ambassador Justin Brown, Australian Ambassador to the EU, Belgium, Luxembourg and NATO, presented Australia's perspective of some of the challenges on the global agenda as well as Australia's views of potential opportunities and partnerships. He highlighted three key trends characterising global trade today: globalisation, the link between trade and economics, and a trade agenda that was no longer dominated by the G7, OECD or developed countries. He assessed the multilateral world trade system going through its biggest crisis since 1944, which he saw as a disappointing trend as trade and its expansion had lifted millions from poverty and significantly improved global living standards. At the same time, he underlined that Australia was enthusiastic about building

partnerships, welcomed new opportunities and encouraged others to join their example. H.E. Ambassador Andreas Riecken, Head of the Department for International Organizations at the Federal Ministry for Europe, Integration and Foreign Affairs of Austria, stressed that trade facilitation was critical for inclusiveness. At the same time, he pointed out that with multilateral systems increasingly called into question, it was equally important to acknowledge a need for reform and modernisation to keep up with newly emerging challenges.

In general, the Austrian 2018 Chairmanship of the Asian Contact Group was particularly committed to the promotion of multilateral co-operation with regional actors and International Organizations. It organized a high-level conference on "Effective Multilateralism in a Globalized World - The Case of Europe and Asia Pacific" in Vienna on 16 May. The event was opened by Austrian Foreign Minister H.E. Dr. Karin Kneissl, who emphasized the need for sustained interaction with regional organizations for co-operative solutions to global and regional security challenges. The key notes provided by Yury Fedotov, General Director of the Office of the UN in Vienna and Executive Director UNODC, Thomas Greminger, Secretary General of the OSCE, LI Yong, General Director of UNIDO, Natalia Gherman, Special Representative and Head of the United Nations Regional Centre for Preventive Diplomacy for Central Asia, and Lassina Zerbo, Executive Secretary CTBTO echoed such multilateral approach. Other sessions of the event focused on regional approaches to security in Europe and Asia Pacific with valuable input from UNOOSA and EEAS, but also Indian and Indonesian representatives, and further on economic connectivity and cooperation between the Euro-Atlantic and the Eurasian-Pacific Area with key note remarks provided by Deputy Foreign Minister of Kazakhstan, Roman Vassilenko, who reflected on the Central Asian priorities for promoting regional economic connectivity. A side event looked into the global fight against the trafficking in human beings featuring Australian Government Ambassador for People Smuggling and Human Trafficking, Geoffrey Shaw, as guest speaker.

The 2018 OSCE Asian Conference was held in Canberra, Australia, on 5 November, based on PC Decision 15 adopted on 18 June 18. A consensus on a PC decision on the time table, agenda and organizational modalities could not be reached. The working agenda covered all three security dimensions, focusing on multilateral architecture and its impact on global security, on economic connectivity and sustainability including liberalizing global trade, and on the promotion of human rights, including women related issues and the safety of journalists. All five Asian Partners, Troika representatives and 18 participating States, the EU, and the OSCE Secretariat participated in the event. Austrian Deputy Minister for Europe, Integration and Foreign Affairs H.E. Johannes Peterlik and Head of the OSCE Task Force in the Austrian Ministry for Europe, Integration and Foreign Affairs, H.E. Amb. Florian Raunig, represented the Austrian Chairmanship of the Asian Contact Group. All sessions were moderated by Australia's First Assistant Secretary, H.E. Cathy Rapers, with various representatives and experts from the Australian Department of Foreign Affairs and Trade contributing to the discussions. The topics discussed during the working sessions of the Conference complemented the 2018 thematic priorities of the Asian Contact Group and helped to ensure continuity in the OSCE's interaction with its Asian Partners on common challenges and common opportunities in today's interconnected world. The participants

identified several priority issues for the joint agenda of the Asian Partnership for Cooperation, which could be reflected in the 2019 rolling schedule of the Asian Contact Group.

At the fifth meeting of the Asian Contact Group, held on 13 November, H.E. Byung-ha Chung, Deputy Director General at the Ministry of Foreign Affairs of the Republic of Korea, presented his country's vision of building peace on the Korean Peninsula. His presentation reviewed the current political and security situation including an analysis of the Pyongyang Inter-Korean Summit, and Seoul's suggestions for possible ways forward. He emphasized the relevance of confidence-building measures to build Inter-Korean relations that created a virtuous circle for full denuclearization and the establishment of permanent peace on the Korean Peninsula. Mr. Bernt Berger, Senior Fellow and Head of Asia Programme at the German Council on Foreign Relations assessed the current situation to finally provide grounds for a possible path to peace after 50 years of conflict on the Korean Peninsula. He further called for the potential of including aspects of economic co-operation to develop North-South relations to trigger long-term commitment to peace particularly in the North. H.E. Ambassador Fred Tanner, Senior Advisor to the Director of the OSCE Conflict Prevention Centre, proposed to approach the security situation on the Korean Peninsula through the prism of lessons learnt from the security co-operation in Europe during the Cold War. He stressed that the evolution of the CSBM regime in Cold War Europe was an important learning exercise for all parties involved.

The Austrian Chairmanship of the Asian Contact Group expresses its sincere gratitude to all the Asian Partners for Co-operation and the participating States for their engagement and commitment in the framework of the OSCE Asian Partnership. Austria wishes every success to the incoming Italian Chair of the Asian Contact Group and hopes that the broad, fruitful and productive dialogue with the Asian Partners will be continued and developed further both in the form of meetings in Vienna and the annual OSCE Asian Conference.