24th ECONOMIC AND ENVIRONMENTAL FORUM

"Strengthening stability and security through co-operation on good governance"

FIRST PREPARATORY MEETING
Vienna, 25-26 January 2016

CONSOLIDATED SUMMARY

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EXECUTIVE SUMMARY ................................................................................................................................. 4

REPORTS OF THE RAPPORTEURS ..................................................................................................................... 6

Opening Session: .................................................................................................................................................. 6
Session I: Good environmental governance, economic development and competitiveness ........................ 12
Session II: Environmental legislation and its impact on business and investment ..................................... 17
Session III: Transparency, access to information, and stakeholder participation ......................................... 23
Session IV: Good environmental governance in the raw materials sector ...................................................... 28
Session V: Resource efficiency and green technologies as instruments for sustainable development .......... 33
Session VI: Sound waste management frameworks in the context of good environmental governance .... 38
Concluding Session: .......................................................................................................................................... 42

ANNEX I ................................................................................................................................................................ 45
DECISION No. 1176, THEME, AGENDA AND MODALITIES FOR THE 24th ECONOMIC AND
ENVIRONMENTAL FORUM .............................................................................................................................. 45

ANNEX II: OPENING REMARKS ......................................................................................................................... 48
Ambassador Eberhard Pohl, Chairperson of the OSCE Permanent Council, Permanent Representative of
Germany to the OSCE, 2016 OSCE German Chairmanship ........................................................................ 48
Ambassador Lamberto Zannier, OSCE Secretary General ............................................................................. 51
Dr. Halil Yurdakul Yigitguden, Co-ordinator of OSCE Economic and Environmental Activities .............. 54

ANNEX III: KEYNOTE SPEECHES ..................................................................................................................... 57
Prof. Dr. Dr. Klaus Töpfer, former Executive Director of the UN Environment Programme (UNEP), former
German Federal Minister for the Environment, Nature Conservation and Nuclear Safety ..................... 57
Dr. Helge Wendenburg, Director General, Directorate Water Management and resource Conservation,
Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany ........ 62

ANNEX IV: CLOSING REMARKS ....................................................................................................................... 66
Ms. Christine Weil, Deputy Head of Mission, Permanent Mission of Germany to the OSCE ...................... 66
Dr. Halil Yurdakul Yigitguden, Co-ordinator of OSCE Economic and Environmental Activities ............ 68

ANNEX V: ANNOTATED AGENDA ...................................................................................................................... 71

PLEASE NOTE:
All documents and speakers’ presentations are available on the OSCE Forum website:
http://www.osce.org/event/24th_eef_prep1
EXECUTIVE SUMMARY

The First Preparatory Meeting of the 24th OSCE Economic and Environmental Forum (EEF) on „Strengthening stability and security through co-operation on good governance“ took place in Vienna on 25-26 January 2016. Six thematic areas were addressed during the two-day-meeting:

- Good environmental governance, economic development and competitiveness
- Environmental legislation and its impact on business and investment
- Transparency, access to information, and stakeholder participation
- Good environmental governance in the raw materials sector
- Resource efficiency and green technologies as instruments for sustainable development
- Sound waste management frameworks in the context of good environmental governance

More than 220 participants, including official representatives of OSCE participating States, field operations, Institutions and Partners for Co-operation as well as experts from international, regional and non-governmental organizations, the business community and academia attended the Forum and engaged in the discussions about various aspects of good environmental governance, including the link between environmental legislation, sustainable economic growth, and good governance.

The discussions showed that good environmental governance generates a more secure environment and contributes to a sustainable investment climate and competitiveness. This requires a stable regulatory framework, appropriate institutional architecture, new economic instruments, public-private partnerships and reinforced co-ordination and co-operation among countries - areas where the OSCE can make a significant contribution. Good governance, the rule of law and multilateral approaches are important elements in the context of enabling a favourable investment climate and business environment. It was also stressed that involving the public in environmental decision-making is a win-win situation for both the public as well as the decision-makers. In the raw materials sector in particular, stakeholder awareness, participation and partnership are crucial for ensuring good environmental governance. Participants suggested that the OSCE could enhance its activities on community awareness and participation and expand national best practices on mining issues to regional approaches, based on international standards. The meeting also elaborated on resource efficiency and green technologies as instruments for sustainable development: They not only contribute to sustainable development but also bring significant benefits for business and society. Beyond its environmental benefits, resource efficiency also decreases costs and risks for companies and thus makes them more competitive. Finally, participants discussed the security implications of hazardous waste and chemicals for the OSCE participating States at local, national, and transboundary levels and stressed that environmentally sound management of waste and hazardous chemicals has multiple benefits for government, business, civil society, and communities.

Furthermore, they discussed how to deepen the OSCE’s political commitments and engagement in supporting environmental good governance through an exchange of best practices in different business sectors, by enhancing a healthy investment climate, and active public participation.
A number of concrete recommendations on the responses to challenges regarding good environmental governance in the OSCE area were made. They can be found at the end of each session’s report of this Consolidated Summary.
Ambassador Eberhard Pohl, Chairperson of the OSCE Permanent Council, Permanent Representative of Germany to the OSCE, 2016 OSCE German Chairmanship, welcomed all participants. He stressed the critical role good governance plays both for economic growth and for stability and security in the OSCE region, and its transboundary impacts. Promoting good governance was the right response to the global challenge of ensuring sound framework conditions for sustainable economic development and the OSCE, with its comprehensive approach to security, could contribute to these endeavours and serve as a valuable platform for dialogue. He explained that the First Preparatory Meeting will focus on good environmental governance as a means of enabling sustainable economic development, while the Second Preparatory Meeting will discuss the importance of good governance for business interaction, better investment conditions and the fight against corruption as well as economic aspects of migration. Ambassador Pohl further stressed that, due to the limited natural resources available and the globalized, interconnected world, we need to co-operate on using natural resources efficiently and tackling environmental challenges. Improving environmental governance, both nationally and internationally, is of crucial importance to make our economies more efficient, more resilient and more sustainable. The OSCE and its Second Dimension can contribute substantially to this important task. He further underlined that the Economic and Environmental Dimension of the OSCE has an important role to play when it comes to renewing dialogue and rebuilding trust among participating States, and this potential should be used to a higher degree. He underlined the intention of the German Chairmanship to strengthen the Second Dimension by increasing the involvement of the private sector. He concluded by expressing the conviction that enhancing connectivity and promoting greater economic interaction can contribute substantially to renewing dialogue and rebuilding trust among the OSCE participating States.

Ambassador Lamberto Zannier, OSCE Secretary General, noted the references to good environmental governance in previous Forum processes, such as during the discussions of
water governance in 2015, and of disaster risk reduction in 2014. Building on the 2003 Maastricht Strategy and the 2007 Madrid Ministerial Declaration on Environment and Security, creating and sustaining an enabling environment for a vocal civil society, an informed and responsive public, and efficient institutions for sound management of the environment and natural resources have been a priority in the OSCE. Referring to the UN 2030 Agenda for Sustainable Development, Ambassador Zannier stressed that sustainable development, which depends on a careful balance among social, economic and environmental factors, is the best guarantee for ensuring peace and prosperity. He called on participating States to consider how the OSCE can best contribute to fostering sustainable development within this framework. Ambassador Zannier underlined that environmental good governance and sustainable development are central elements of the economic and environmental dimension of the OSCE’s comprehensive approach to security. The OSCE has been supporting its participating States in this field through numerous projects, including in the framework of the Environment and Security Initiative – ENVSEC, of which the OSCE holds the Chairmanship this year. He welcomed the German intention to enhance OSCE’s interaction with the private sector and underlined that environmental considerations do not need to be seen as an obstacle to development, but can be a catalyst for innovation, entrepreneurship, productivity, and job creation. This contributes to prosperity and thus helps to achieve stable and peaceful societies. He also referred to advanced instruments to assess the negative impact that economic activities might have on the environment and on communities, which can help to address the concerns and interests of all stakeholders and prevent tensions and conflicts. The OSCE is actively supporting its participating States in this field, above all through the network of 60 Aarhus Centres in 14 participating States, which promote and facilitate public participation, access to information, and access to justice in environmental matters.

Dr. Halil Yurdakul Yiğitgüden, Co-ordinator of OSCE Economic and Environmental Activities, referred to the OSCE’s role as a platform for dialogue designed to embrace a variety of actors and perspectives, and underlined the plentiful opportunities for business activities to contribute to sustainable development. He stressed that there is a growing recognition that many of the environmental challenges we face today are linked to governance aspects. Within the OSCE’s Economic and Environmental Dimension, a strong record of projects supporting participating States in strengthening good environmental governance has been built up. He particularly emphasized the activities undertaken by 60 Aarhus Centres in 14 countries as well as at regional level. The Aarhus Centres serve as a platform for dialogue among civil society, government and business and promote principles of good environmental governance, for example in the field of water governance, disaster risk reduction and climate change adaptation. In many cases, these activities also involve co-operation at regional level. Last year, the Aarhus Centres of South-Eastern Europe signed a Joint Declaration for Co-operation that will bring their relationship to a new level. Another area where the OSCE has for many years contributed to strengthening governance aspects is water governance. Together with UNECE, the OSCE has been involved in strengthening the capacity of participating States in South-Eastern Europe, Eastern Europe, the South Caucasus and Central Asia to govern water resources well in a transboundary context. A lot of work to help strengthening water governance at national and local level has also been accomplished by the OSCE field operations. Two other areas where the OSCE has contributed to achieving good environmental governance are disaster risk reduction, including wildfire management and reduction of flood risks, as well as waste management. He underlined that most of these activities are taking place in the framework of the Environment and Security Initiative (ENVSEC), which the OSCE is chairing this year. Dr. Yiğitgüden finally gave an overview of the agenda for the next two days and the topics to be addressed.
Prof. Dr. Klaus Töpfer, former Executive Director of the UN Environment Programme (UNEP), former German Federal Minister for the Environment, Nature Conservation and Nuclear Safety, outlined the, sometimes, difficult relationship between economy and environment, referring to 1972, when the first United Nations Conference on the Human Environment took place. He outlined the initial discussions, when environmental action was perceived as preventing economic development. The perceived contradictions between both sides were overcome with the concept of sustainable development, which balances economic, environmental and social concerns and interests. Prof. Töpfer warned about the risks of externalizing costs of economic development on the environment and the social sphere, and urged that we must find new and better ways to counter the externalization of costs that stem from the exploitation of natural resources, within societies as well as among world regions. Shifting the burden of resource exploitation on others has always been a source of tensions and conflict, and we should aim to prevent this. This is also the case for climate change, where some have the benefits and others the costs, which is reason for tensions as nobody wants to pay costs for other people’s wellbeing. He stressed that international conventions are the right tool to handle it, but there is meanwhile also a conventional fatigue, as conventions need a lot of time for development and often there are no instruments to enforce compliance. Referring to the quote “development is the new name for peace” by Willy Brandt as chair of the North-South Commission, he stated that today “sustainable development is the new name for peace”. He outlined the transition from the Millennium Development Goals from 2000, which did not question the development model of the North, to the more integrative Sustainable Development Goals and also referred to the Paris Climate Change Agreement, which with the Intended Nationally Determined Contributions (INDCs) was based on a bottom up instead of a top down approach. After touching on several thematic issues - such as waste, hazardous waste, water management, and energy - that require co-operation, he pointed to plastic waste in oceans and deep-sea mining as important upcoming challenges that were also discussed at the last G7 meeting in Elmau/Germany, thus becoming part of the global security agenda. He concluded that the OSCE and its participating States are in a strong position to demonstrate that the recently adopted Sustainable Development Goals and the Paris Agreement on Climate Change are reflected in real action and in an environmentally friendly economy.

Dr. Helge Wendenburg, Director General, Directorate Water Management and resource Conservation, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany, warned about the impacts of exploitation of natural resources and climate change, leading to food shortages and causing more frequent and intense natural disasters. He questioned the fairness of about 20% of humanity using around 80% of the raw materials that are extracted, while the environmental damage disproportionately affects 80% of humanity that is hardly involved in the use of these raw materials. These developments require countermeasures, and a breakthrough was achieved with the adoption of the Sustainable Development Goals last year. He called on countries to work together towards an ambitious implementation of these goals. This included standing up for good governance. Only then can the population share adequately the proceeds from the resource wealth of their country and environmental legislation and standards will be correctly implemented. He informed that Germany declared its candidacy for the Extractive Industries Transparency Initiative (EITI) at the end of 2015, and encouraged the OSCE participating States who are not yet members to also take this path. The speaker called for an increase in resource efficiency, which is not just an environmental issue but also a question of competitiveness. This is why the G7, under the German Presidency in 2015, agreed to initiate ambitious resource efficiency measures and founded the G7 Alliance for Resource Efficiency. Every gram of raw material that can be saved through resource efficiency and recycling helps to reduce CO₂ emissions and protect the climate. Referring to the Paris Climate Agreement
adopted in December 2015, he stated that a security organization like the OSCE should address the risks of climate change. In this respect, he reminded about the many refugees currently coming to Europe, fleeing from violent conflicts and from the impacts of climate change and environmental destruction. If we do not succeed in halting climate change, refugee flows will continue to grow. Finally, Dr. Wendenburg called for more awareness-raising, information, education and participation in order to educate people and get them involved in the decision-making at an early stage.

The floor was opened for statements from the delegations.

The Netherlands on behalf of the European Union (aligned by the former Yugoslav Republic of Macedonia, Montenegro, Serbia, Albania, Bosnia and Herzegovina, Ukraine, Georgia, Armenia, Andorra, and San Marino) stated that good governance in the environmental sphere contributes to secure and stable societies. The EU recognized the close linkages between good governance, including in the environmental sphere, and economic development and competitiveness and pointed to the Circular Economy Package adopted by the European Commission in December 2015 aiming to boost global competitiveness, foster sustainable economic growth, and generate new jobs through transition to a more sustainable use of resources. The EU welcomed that this meeting brings together different aspects of good environmental governance, including economic development and competitiveness, legislation and its impact on business and investment, transparency and access to information, good governance in the raw materials sector, resource efficiency and green economies, and sound waste management. It stressed that the OSCE, as a regional security organization, is well placed to facilitate and enhance dialogue and cooperation on good governance in the environmental sphere, taking into account the link to security.

A representative of Uzbekistan stressed Uzbekistan’s support for sustainable development and its efforts and measures in this respect, despite the enormous financial investment it requires. He informed that Uzbekistan has become a sustainable and fast growing economy contributing to the prosperity of its population, also through democratic renewal. The use of resources has been oriented towards environmental protection. Uzbekistan has created a solid legislation to protect the environment, has improved the management of natural resources, also by including civil society participation, and invested in new technologies, which also increased competitiveness. He also underlined Uzbekistan’s engagement and investments in alternative energies, in particular solar energy, and its co-operation with international partners like the OSCE. Referring to the crisis of the Aral Sea, he noted the efforts of Uzbekistan in mitigating the situation and underlined that Uzbekistan attaches great importance to cooperation on transboundary water resources and follows international conventions. He called for increased relations with donor countries to address issues in the Aral Sea Basin, develop agricultural systems, introduce environmental labelling, and ensure fair and rational use of transboundary water resources in line with international law and recognition of all interests involved.

A representative of Turkey stressed that environmental regulation is central to good environmental governance. Justly enforced regulations enable business to compete on equal terms and create a climate that is more attractive for investment. He also stressed that business can benefit greatly by compliance with such laws and regulations because legislation can deliver cost savings and help companies develop more attractive products. He highlighted the importance of good management of natural resources, energy efficiency, green technologies, and sustainable waste management for sustainable development. He underlined further that cooperation among stakeholders will play a key role in efficient and sustainable utilization of natural resources by taking into account all the economic and social needs of the
people as well as the related environmental factors and that the OSCE Economic and Environmental Forum is a significant platform for sharing best practices and different approaches. Finally, he concluded that raising awareness among people and different stakeholders is crucial for effective environmental management.

*A representative of the United States of America* welcomed the focus of this meeting on good environmental governance. He also commended the previous Serbian and Swiss Chairs for their leadership and commitment and called to remedy the missed opportunity to adopt a decision on water governance. He praised the German Chairmanship’s commitment to strengthen the OSCE’s work in the Second Dimension, as tangible progress on economic and environmental issues could renew dialogue, rebuild trust, and restore security across the OSCE. He further referred to the US Clean Air Act of 1970, which helped to cut air pollution in the United States by 70 percent, while the economy has tripled, demonstrating that a healthy environment and a strong economy reinforce each other. Sustainable, innovative approaches that are grounded in science are instrumental to solving today’s environmental challenges. Today’s environmental problems require not only traditional regulatory approaches but also cross-cutting programs and new tools that promote innovation, incentives, and partnerships. He also stressed that we must provide greater access to environmental data, enhanced community engagement, environmental education, new measurement tools, and increased analysis. He expressed the United States’ strong support for the German Chairmanship’s effort to increase the involvement of the private sector in the OSCE’s Second Dimension work, which can play a significant role in developing innovative solutions.

*A representative of Switzerland* welcomed the continued discussions on the intrinsic relationship between the protection of the environment and the provision of security. He outlined that, first, a safe environment is the key to strengthening domestic development, stability and security. Second, cooperation between states is needed to regulate transboundary environmental challenges. Third, good governance is both a key component of the protection of our environment and an element that eases cooperation by increasing mutual trust. He also stressed that good environmental governance provides the clarity and longterm assurance for a stable regulatory environment, which is key for private sector engagement. Good governance on both sides of any border means that government entities can trust each other, and that the private sector will find equally predictable and fair business conditions across boundaries. Good governance also means that the public at large finds its concerns reflected, including through its access to information on the environment and on the environmental impact of the economic actors. He commended the work of the OSCE-supported Aarhus Centres in providing fair and equitable access to environmental information. He also highlighted the OSCE’s co-operation with UNECE and encouraged further promotion of the implementation of the UNECE multilateral environmental conventions. He concluded that Conventions in the political sphere are necessary but a culture of responsibility in the corporate sphere is as important.

*A representative of the Russian Federation* stated that good governance of environmental protection and the promotion of environmentally-friendly business have become increasingly important for every OSCE participating State and OSCE Partners for Co-operation. He outlined that environmental protection is drawing more attention in the Russian Federation. Currently, reforms to harmonize environmental law with the standards of the OECD are conducted, geared towards establishing a new system that incentivizes investment in the environment. Crucial instruments have been the 2014 Best Available Technology Act, which obligates companies to introduce economically viable technologies to minimize the creation of waste and emissions, and the 2014 Waste Act, designed to usher in a new industry for
recycling. He underlined that the environmental reform is one of the most important issues on the agenda for the country’s development, aiming to overcome the shortcomings of the previous economic model and paving the way for a new one, which can guarantee sustainable economic growth and reduce the reliance on external factors, including geopolitical ones. The representative stressed that the protection of the environment affects everyone today and future generations. That is why close co-operation between the state, civil society, the business sector, and scientific circles is essential.

A representative of Azerbaijan welcomed that the topic of good governance with its cross-cutting nature remained high on the OSCE agenda and referred to the existing commitments in the 2012 Dublin Declaration. He commended the Chairmanship’s initiative to actively engage the business community in the work of the Second Dimension and underlined that public-private partnerships and economic connectivity within the OSCE region could be instrumental in utilizing the untapped potential of the Second Dimension for enhancing security and stability.

A representative of the Regional Environmental Center (REC) acknowledged the relevance of the topic in the context of the Sustainable Development Goals and the 2030 Agenda and applauded the efforts of the German OSCE Chairmanship to promote connectivity and good environmental governance, and increasingly involve the business community in the Second Dimension of the OSCE. She underlined that the launching of the Sustainable Development Goals and the recent UNFCCC COP 21 in Paris showed that the global community is ready to take big steps together. Those commitments come to fruition only with consistent and consolidated practices of good governance, independent and robust institutions exerting democratic control, an active civil society, engagement of all stakeholders, and regional and international co-operation. She concluded that the REC has been a long-term partner of the OSCE in catalyzing sustainable solutions in the region of Central and Eastern Europe and facilitating local and participatory governance in all contexts, and looks forward to continue this co-operation.

The following conclusions and recommendations can be drawn from the discussion:

- Good environmental governance plays a critical role both for economic growth and for stability and security in the OSCE region. The OSCE, with its comprehensive approach to security, contributes to promoting good environmental governance and serves as a valuable platform for dialogue;
- Sustainable development, which depends on a careful balance among social, economic and environmental factors, is the best guarantee for ensuring peace and prosperity;
- It is important to find new and better ways to counter the externalization of costs that stem from the exploitation of natural resources, within societies but also among world regions, in order to prevent tensions and conflict;
- The OSCE and its participating States are in a strong and responsible position to affirm that the recently adopted Sustainable Development Goals and the Paris Agreement on Climate Change are reflected in real action.
Mr. Johannes Kaup introduced the session by stressing the contribution of the integration of environmental issues in the context of economic development.

Ambassador Felipe de la Morena Casado noted environment as one of the core components of the OSCE starting from the Helsinki Final Act and its vast potential for the future. Referring to the evolution of environmental issues on the political agenda, he stressed that economy and environment are both necessary to achieve a dignified quality of life for the human being. He pointed to good environmental governance, including clear accountability and active public participation, as an essential element in addressing the fragmentation of regulations related to the environment as well as in overcoming a threat to security posed by environmental degradation and climate change. He noted the role of the universally agreed Paris Agreement and the 2030 Agenda for Sustainable Development in more effectively addressing such security threats. In this regard, he suggested that the OSCE community could work on these issues, for example, by gathering and exchanging information on environmental issues and enhancing early warning systems that could deal with environmental vulnerabilities. He summarized a few examples of Spain’s engagement in dealing with such vulnerabilities. Speaking about the connection between good environmental governance and competitiveness, Ambassador de la Morena Casado identified environmental governance as a prerequisite for a new development model based on a low carbon economy and resilience to climate change. He outlined a number of factors necessary for achieving good environmental governance, a positive investment climate and competitiveness. Such factors include stable regulatory framework, proper institutional architecture, new economic instruments and public-private initiatives. He suggested that the OSCE could reinforce co-operation among countries and share information about the most effective and efficient policies to achieve sustainable development and the available data on their results. He concluded by stressing that good environmental governance generates a more secure environment for all and contributes to a more stable and positive investment climate.
Ms. Nilza de Sena MP, Vice-Chair of the OSCE Parliamentary Assembly’s Committee for Economic Affairs, Science, Technology and Environment noted the OSCE’s understanding of the key role of sustainable environmental policies in the context of strengthening local and regional security and stability. She referred to the Aarhus Convention’s contribution to promoting sustainable development, including the creation of Aarhus Centres supported by the OSCE. Good environmental governance is critical for the achievement of a sustainable future, where economic development and environmental protection reinforce each other. Ms. de Sena MP called on the OSCE to support participating States in the co-operation on developing adaptation strategies and measures in shared river basins, including those of the Chu-Talas, Dniester and Neman. Speaking about requirements for achieving good environmental governance, she stressed the involvement of a wide range of stakeholders, including civil society and business, in a transparent and responsible way. Adequate protection of the environment is essential in the context of enjoyment of basic human rights as environmental challenges tend to affect the most vulnerable members of society. She noted the responsibility of governments to work with other stakeholders to enhance effective national governance systems and enabling conditions for sustainability to contribute to competitiveness and economic development. Ms. de Sena MP encouraged the other OSCE Institutions and participating States to recognize the central importance of efforts in the field of environment in the context of the broader security agenda of the OSCE.

Dr. Alistair Clark, Managing Director for Environment and Sustainability, EBRD, spoke about the impact of good environmental governance on the investment climate and competitiveness with a focus on the EBRD’s activities. Dr. Clark noted a significant shift in the EBRD’s investment portfolio with 30 per cent of investment currently going to climate related projects and further increase to invest in green economy. Referring to the concept of environmental governance, he highlighted the importance of system management in the context of the OSCE region. Dr. Clark identified five major issues for environmental governance, including evidence-based data, policy and legislation, public consultation, access to justice, and civil society. He emphasized the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention) and the Convention on Environmental Impact Assessment in a Transboundary Context (Espoo Convention) as particularly important in EBRD’s projects. Dr. Clark elaborated on the importance of public consultations as a key component of EBRD’s investment activities and the role of civil society as a “check and balance” mechanism. Civil society organizations are important stakeholders that can promote local ownership of the transition process towards well-governed, sustainable and inclusive economies. He underlined the need for particular attention to vulnerable groups, cultural appropriateness and follow-up with stakeholders for effective public consultations. The requirement for public consultations allows early resolution of issues. Dr. Clark concluded by identifying some of the security and stability issues in the OSCE region, including the water-energy nexus in Central Asia, South Caucasus and South Eastern Europe as well as energy security.

Mr. Clemens Grabher, Managing Director, 11er Nahrungsmittel GmbH, Austria, focused his presentation on best practices of environmental performance with a focus on energy efficiency and carbon neutral production in his company. 11er Nahrungsmittel GmbH is a leading producer of frozen potato specialties in Austria, which is an energy intensive business. Mr. Grabher noted that their work, to make the company carbon neutral and energy efficient is motived by the conviction that ecological responsibility is a reality that companies must embrace. Mr. Grabher stressed the application of a sustainable environmental management system as an essential mechanism in this context. In particular, since 2005 his company has been certified by an ecological project for the integration of environmental protection (ECOPROFIT), which is a cooperative arrangement between authorities and
companies to reduce costs for waste, raw materials, water, and energy. The company has also
continued cooperation with research institutes and NGOs and is a member of the UN Global
Compact. Some of the specific on-site measures and recent projects, including a new biofuel
plant powered by biogas from potato peels, were outlined as contributors to the continuous
reduction of energy consumption over the past 12 years. The company’s endeavors go
beyond energy saving and also include membership in the Climate Neutrality Alliance 2025
and further measures to reduce carbon dioxide emissions at all levels, including awareness
raising among employees and life-cycle analysis for assessing its entire carbon footprint, as
well as compensation of the entire carbon dioxide footprint through supporting renewable
energy and forest protection projects abroad. Mr. Grabher emphasized that it is important to
realize that achieving success may take long time as end-consumers should be persuaded to
demand environmentally friendly products and processes. This will also incentivize retailers
to sell more of such environmentally friendly products. As regards authorities, they can
support through guidelines (e.g. UN Global Compact), financial aid towards implementation
of measures and competitive rewards.

The floor was opened for discussion.

_A representative of UNEP_ emphasized the importance of good governance beyond the
national level, namely governance at transboundary, regional, and international level. He
referred to the joint work undertaken within the framework of the Environment and Security
Initiative (ENVSEC) with a focus on linking transboundary environmental issues with
security.

_A representative of the U.S._ inquired about the importance of the Paris Agreement under the
United Nations Framework Convention on Climate Change and the Sustainable Development
Goals in the context of EBRD’s work. He also asked about the financial return of the
investments undertaken by 11er Nahrungsmittel GmbH and its work to market efforts to
reduce energy intensity and carbon footprint.

_A representative of Serbia_ inquired about the benefits of compensation of the CO₂ footprint
through projects in developing countries as opposed to potential measures in developed
countries.

_A representative of France_ made a point of order regarding the linguistic regime applicable to
the preparatory meetings, reiterating that such meetings should be held in six official OSCE
languages or without interpretation at all. She expressed an expectation that appropriate
consultations could take place swiftly before the 2nd Preparatory Meeting of the 24th
Economic and Environmental Forum.

_A representative of Spain_ supported the point of order raised by the representative of France
and noted the willingness to engage in the consultations to find an agreeable solution on the
linguistic regime.

_A representative of the Regional Environmental Centre for Central and Eastern Europe
(REC)_ inquired about the paradigm shift in viewing the environment as a business and policy
driver, rather than a cost.

_A representative of Austria_ inquired about EBRD’s overall financial basis for the current
projects and multiplying effects of their investments. He also inquired about specific
achievements that could be anticipated this year in the context of the OSCE field operations’
activities.
The Moderator inquired about additional suggestions Ambassador de la Morena Casado might have for the OSCE concerning good governance.

In response to the questions from the U.S., Mr. Grabher noted that the financial return has yet to materialize. Marketing of carbon-neutral products is done in several ways, including cartoon spots such as demonstrated in his presentation, web-pages and on YouTube. Efforts are also made to convince retailers to use carbon-neutral products. In response to the question from Serbia, he emphasized the global nature of CO2 emissions and the advantages of investing in developing countries while developed countries are providing the funding for carbon-neutral products.

In response to the question from the U.S., Dr. Clark noted the high importance of the Paris Agreement and Sustainable Development Goals both in EBRD’s work and beyond. He underlined that the Paris Agreement is a universal international agreement on climate, which is a success on its own. The level of finance needed for both climate finance and Sustainable Development Goals requires involvement of the private sector, including multilateral banks. States realize this. In response to the question from the REC, he underlined the changes in the incentives structure for their clients as the main reason, noting the requirement to develop climate change investment opportunities. There is a lot of room for improving energy efficiency in the OSCE region, which gives additional opportunities. In response to Austria, Mr. Clark indicated the amount of 30 billion EUR as the current capital base for EBRD. EBRD investment has a large leveraging effect. For every Euro that EBRD lends, the private sector adds 3-4 Euros to the investment.

Ms. de Sena MP expressed satisfaction with the commitments adopted at the COP21. She underlined the impact of refugees inside the OSCE region as one of the most important themes. She noted the varying degrees and policies across the OSCE participating States and the importance of efforts in the field of transboundary cooperation.

In response to the question from the moderator, Ambassador de la Morena Casado mentioned the importance for the OSCE participating States to actively continue working on the environmental agenda with a focus on soft law at international level to contribute to achieving good environmental governance. Early warning systems on environmental issues, to avoid processes of degradation, could be one of such areas. Both climate change and water merit further attention, in particular in a transboundary context. He also noted the importance of involvement of the private sector and of corporate social responsibility. The OSCE can do a lot in raising awareness about environmental issues in the OSCE region.

The following conclusions and recommendations can be drawn from the discussion:

- Environmental good governance, including clear accountability and active public participation, has an important role to play in fostering sustainable development and overcoming threats to security posed by environmental degradation and climate change;
- Good environmental governance generates a more secure environment for all and contributes to a more stable and positive investment climate;
- Civil society organizations are important stakeholders that can promote local ownership of the transition process towards well-governed, sustainable and inclusive economies;
- The Aarhus Convention, including its Aarhus Centers supported by the OSCE, contribute to promoting sustainable development in the OSCE region;
The private sector’s efforts to ensure energy efficient and carbon neutral businesses can be supported through guidelines (e.g. UN Global Compact), financial aid towards implementation of measures and competitive rewards;

Similar to its work in the Dniester river basin, the OSCE could support participating States in the co-operation on developing adaptation strategies and measures in other shared river basins, including those of the Chu-Talas and Neman. Other areas for the OSCE’s involvement could include the soft law to address environmental challenges in the OSCE area and achieve good environmental governance, early warning systems to prevent environmental degradation;

The OSCE could reinforce coordination among countries and support sharing information about the most effective and efficient polices to achieve sustainable development and data on their results.
Session II: Environmental legislation and its impact on business and investment

Moderator: Dr. Eric Frey, Managing Editor, Der Standard

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

Speakers:
- Mr. Ethan Shenkman, Deputy General Counsel, Office of General Counsel, United States Environmental Protection Agency, USA
- Mr. Nikolai Shvets, Deputy Chairman, Federal Grid Company of Unified Energy Systems, Russian Federation
- Dr. Dirk Buschle, Deputy Director/Head of Legal Unit, Energy Community Secretariat
- Mr. Nicholas Bonvoisin, Acting Chief, Transboundary Cooperation Section, Environment Division, UNECE
- Dr. Thomas Hruschka, Director of Sustainable Development, Environmental Protection, City of Vienna, Austria

Session II provided a comprehensive overview of environmental legislation and the impact on business and investment while examining different business sectors. In his introduction the moderator, Dr. Eric Frey, described the challenges between fulfilling environmental goals and sustainable business activities. The question was raised how to enhance business investment activities without suppressing them through environmental regulations.

Mr. Ethan Shenkman, Deputy General Counsel, United States Environmental Protection Agency, presented the core activities of the Environmental Protection Agency (EPA) in the United States, dealing with pollution control on federal level. EPA is co-operating with other countries and international organisations to define core elements of international cooperation on environmental governance. The speaker briefed on the Lead Paint Alliance, a voluntary multilateral initiative by UNEP and WHO to help countries implementing legislation to limit lead paint. EPA has recognised that strong environmental governance is key to realising environmental goals as well as to a strong and healthy economy. Mr. Shenkman gave the example of the 1970s – as a period of severe environmental problems (e.g. air pollution in big cities), which was tackled by new environmental legislation. Since 1970 the major air emissions in the United States were reduced by 70%. At the same time, the U.S. economy tripled. Strong environmental governance is an important ingredient to a healthy economic growth. Reduction of pollution and economic growth can go hand in hand. The speaker explained that climate change has a security dimension, which is vital to the work of the OSCE. There are also good solutions for an energy transition available. Mr. Shenkman concluded that rather than subsidising the past, it is better to invest in the future. It is important to accelerate the transition. Moreover he presented the Clean Power Plan, a set of regulations to reduce carbon emissions, especially in the power sector. There has been an unprecedented level of public participation during this political adoption process. More than 4 million comments from the public were received. In conclusion, the final regulation has positively benefited by the stakeholder’s input.

Mr. Nikolai Shvets, Deputy Chairman, Federal Grid Company of Unified Energy Systems, Russian Federation, noted that increasing the level of security in the energy structure, including environmental security, is one of the key strategic priorities of the Federal Grid
Company. The OSCE plays an important role to improve mechanism for international co-operation and to ensure safety and security for such infrastructure. Developing dialogue among all key stakeholders is vital. He applauded the platform provided by the EEF for an exchange of experience. Russia has adopted a consistent policy to ensure environmental security and the sound use of natural resources and industrial activity as well as to safeguard the prevention of accidents with potential negative environmental consequences. Over the last decade the Russian government has carried out a wide scale of projects to strengthen the monitoring of environmental security at all levels. Environmental activities are also regulated by international agreements. Mr. Shvets emphasised the necessity to protect the environment, namely biodiversity and natural resources, in order to meet the needs of current and future generations for a healthy environment. He also added that one of the goals of the governmental policy in this area is to solve socio-economic issues to ensure environmentally oriented economic growth. In June 2012 the Presidential Commission for Strategic Development of the Fuel and Energy Sector and Environmental Safety was created. The goal of the Commission is to co-ordinate the activities of federal bodies and executive authorities as well as local self-government bodies to develop an environmentally sensitive policy. The Federal Grid Company was founded in 2002 with regards to the reform of the electricity system. The company managed to decrease waste and emissions as well as to improve energy saving and energy efficiency equivalent to 96 Million kWh or 50,000 tons of CO2 emissions. The speaker emphasised that the Federal Grid Company takes further environmental actions such as meeting international environmental standards by the International Organization for Standardization (ISO). Given the current economic situation it is necessary to take a sound compromise between the economic competitiveness of the company and the need to ensure environmental protection. This leads to the need of streamlining the use of technology. It is necessary to study international practice and to co-ordinate such practice in the public and private sector. The increasing co-operation will allow to reduce costs and to introduce new technologies. Mr. Shvets praised the active co-operation of the OSCE participating States, the private sector, and academia to decrease negative effects on the environment – in the interest of current and future generations.

Dr. Dirk Buschle, Deputy Director, Energy Community Secretariat, presented the Energy Community, an international organisation based on a treaty signed in 2005. He explained the impact of environmental legislation, especially on the energy sector governance. The speaker emphasised the complexity of implementing environmental rules in the energy sector as well as the importance of commitments towards combating climate change. He gave the example of the European Union’s Directive on Renewable Energy Sources (2009/28/EC), which contains legally binding and ambitious targets for renewables to be achieved by 2020 by the parties representing the Energy Community. Dr. Buschle illustrated his work referring to the obligation to adopt renewable energy action plans, which had to be enforced since some countries did not adopt this tool. The speaker summarised the main challenges. Transposition of legal commitments is not enough. Independent institutions are needed to implement legislation, e.g. well-working permitting authorities or the guarantee for protecting investors. National institutions are, therefore, of key importance. Due to the effects of the economic and financial crisis some countries could not provide state guarantees anymore, which could be a risk to investments in the energy sector. Some of the energy-related infrastructure might be outdated, not well-connected or cannot accommodate renewable energy sources. This has been tackled under the so-called Berlin Process. One important challenge, on the question of price regulation, refers to energy as a social commodity. If the protection of vulnerable customers is not targeted and all customers are treated the same way in offering low-cost energy prices, the price of energy could be too low to provide incentives to invest into energy efficiency. If coal is phased out, due to environmental commitments, there could be a risk of
security of supply. In conclusion, there are opportunities and risks related to green investments. The support of the rule of law is very important in the whole process.

Mr. Nicholas Bonvoisin, Acting Chief, Transboundary Cooperation Section, Environment Division, UNECE, expressed his gratitude for the excellent co-operation between the OSCE and the UNECE over many years. He presented the different perspectives of actors related to investment climate and business environment. A government may seek transparency and accountability to increase business efficiency, to favour competitiveness as well as to foster public support. A business seeks opportunities and needs a degree of predictability to manage risks. A company wants to avoid conflicts over e.g. natural resources on which it depends. People want a healthy environment, adequate jobs, affordable goods and services, access to utilities, proper use of natural resources as well as transparency and accountability. The UNECE’s multilateral environmental agreements can help to achieve many of these goals, and, at the same time, to shape the business environment in order to fit better into the framework of sustainable development. The agreements have several issues in common: more transparent, participatory and better informed decision-making. The implementation of consistent, legal standards across the UNECE region is key to a sustainable business environment. The UNECE Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters is a unique tool to ensure that decision-making is aiming for sustainability and good governance. Mr. Bonvoisin stated that, in many countries, public participation in decisions effecting the environment is not an everyday exercise. The OSCE and the Aarhus Centres are longstanding partners addressing challenges such as capacity building and awareness-raising. The speaker referred to a second related area: the UNECE Espoo Convention on Environmental Impact Assessment in a Transboundary Context and its Protocol. This instrument, essential for good governance, established clear and transparent procedures for integrating environmental considerations into national development plans and investment projects. Mr. Bonvoisin provided the example of operation of six Parties to the Espoo Convention around the Baltic Sea together with the Russian Federation (which is not yet a Party to the Convention) as essential for permitting Nord Stream, the longest undersea pipeline in the world. The UNECE Conventions all share a multi-sectoral scope and can function as a platform for dialogue. Mr. Bonvoisin highlighted the Convention on the Transboundary Effects of Industrial Accidents, which provides governments in the OSCE region with a legal instrument to promote industrial safety standards to prevent accidents. These treaties mostly have a transboundary component and can strengthen international co-operation. They also promote regional economic integration and bring peace and security while reinforcing international law, increasing geopolitical stability and strengthening diplomatic relations.

Dr. Thomas Hruschka, Director of Sustainable Development, Environmental Protection, City of Vienna, presented best-practice examples how environmental protection is organised in the city of Vienna. Vienna is considered as a city with a high quality of life. The legislative context has an important impact. Dr. Hruschka gave the example of the Vienna Waste Management Act on the use of multi-cycle systems for events in the public sphere. He presented activities in the field of energy: the energy efficiency and the climate protection programme. The outcomes of these two programmes were four different projects involving sustainable public life and sustainable public administration:

- Eco Buy - a green purchasing programme;
- Puma – green management for city-owned buildings;
- Eco Business Plan, which is targeting private business;
- Eco Counselling - a free consultancy programme for inhabitants of Vienna.
The Eco Business Plan is a public-private partnership since 1998 with an advisory board of different stakeholders such as the City of Vienna, trade unions and the Chamber of Commerce. The project offers a consulting programme with advice to private companies how to save energy. 1,200 companies were already part of the programme. These companies have saved CO₂ emissions equivalent to the filling of 60,000 hot-air balloons (half of the Viennese households could have been supplied with these savings). From a business point of view these companies saved an important part of their operational costs. This experience was shared in pilot-projects in Albania, Slovakia, Ireland, Hungary and Serbia.

Dr. Frey thanked all speakers for the excellent insight they provided into the topics. He concluded that the same goal, namely environmental protection, can be pursued with different instruments on local, national and international level.

A representative of Belarus shared the positive Belarusian experience in environmental protection. There are more than ten strategies and environmental programmes to ensure comprehensive and sustainable management of natural resources and ecosystems. The programmes are currently being reviewed and streamlined. A national Aarhus Centre and the first local Aarhus Centre were also set up in the country. Furthermore a network of ‘green schools’ has been developed across the country. Belarus emphasized the interest in receiving recommendations from international experts to consolidate the country’s progression towards green economy principles (such as smart city planning) and to further develop international co-operation.

A representative of Russia briefed on the current large-scale reform of environmental legislation in Russia, which established new standards for co-operation on environmental protection. This includes e.g. the law on best-available technologies, which was adopted in 2013, including the creation of a waste-recycling industry.

A representative of the U.S. asked Mr. Shvets how the risks of threats through cyber-attacks on electrically grid- and water-infrastructure are addressed in the Russian Federation and which role the OSCE could play in this respect.

Mr. Shvets replied that the Russian Federation takes measures to forecast potential risks in the area of energy supply. The OSCE offers a number of recommendations and joint documents, which commit participating States to protect energy provision, water, and transport infrastructure. The Russian Federation has adopted sufficient measures to face such risks.

A representative of Poland enquired about the role of natural gas and the implementation of standards to the EPA.

Mr. Shenkman replied that the EPA is addressing natural gas in two ways: the share of natural gas in the electricity production vis-à-vis coal-fired plants. There has been an increase of electricity production through gas-fired plants. The Clean Power Plan supports this trend. The EPA has created standards for carbon emissions from newly-built gas-fired power plants. The Agency is also focusing on emissions from methane, which is a more polluting greenhouse gas than carbon, and has developed both, mandatory and industry-voluntary standard schemes, to reduce these emissions.

Dr. Frey addressed a question to Dr. Buschle on what business expects from regulators when it comes to the environment.
Dr. Buschle noted the importance of establishing markets to attract investments. He described the tool of ESCOS (energy service companies) to implement energy efficiency legislation. The energetic performance of a house is assessed and energy saving measures are put in place. The ESCOS will receive a percentage of the savings. This is a market-based tool to make energy efficiency more attractive. However, this tool will only work if the prices are not too low. Dr. Buschle stressed that the energy sector is highly complex. Strong and supportive procedures and institutions are needed. It needs a good balance between protecting investors and providing them an incentive on one side and not to close the markets on the other side.

Dr. Hruschka added his view from the perspective of Vienna. Environmental policies have to be predictable for companies. Opportunities have to be offered in a holistic way.

Mr. Shenkman noted that predictability and an efficient time horizon, to make the transitions possible, is of upmost importance to the energy sector. Flexibility is also a key factor at state level and to the business sector. Fair and even enforcement of legal regulations are issues, which are relevant to the energy sector.

Mr. Shvets, with reference to predictability as a prerequisite for good environmental legislation, stated that the business community together with the society have successfully adapted to a new situation in a period of economic transition in Russia. The safety and security of energy supplies depend on the programmes implemented. There is a high potential for energy supply-capacities in the near future. There were also some changes on regulatory level, which were not foreseen.

Dr. Frey further asked about the role of the public - if the public is sufficiently involved in these processes.

Dr. Buschle shared his experience from the energy sector. NGOs can be seen as an antenna to transmit to the authorities and policy-makers the concerns of the population.

Mr. Shenkman emphasised that public involvement is needed to gain legitimacy. It is important to have access to reliable information. The EPA is also involved in regulating the quality of information that is disclosed and to increase the capacity of NGOs.

A representative of the OSCE German Chairmanship posed a question to Mr. Shenkman how the two levels, national and state regulators on environmental legislation, fit into each other’s role as well as how to promote competition with the view to best practice and best regulations. Mr. Shenkman replied that the Environmental Protection Agency has a vigilant oversight role. At the federal level, the EPA or other federal agencies set minimum standards. It is up to each state to individually decide how to best meet these goals.

The following conclusions and recommendations can be drawn from the discussion:

- Good governance, the rule of law in the field of environmental legislation and multilateral approaches are important elements in the context of enabling a favourable investment climate and business environment;
- Environmental protection does not constitute a threat to economic growth. Environmental protection should be seen as a business opportunity as it can also help companies to reduce their operational costs;
- There is a necessity to protect the environment in order to meet the needs of current and future generations for a healthy environment.
• There is a need to extend international environmental co-operation, including business activities in the area of addressing waste-related challenges and exchange of best practices in using green technologies.
• The OSCE could play an important role to improve mechanisms for international co-operation and to ensure safety and security of energy infrastructure.
Ms. Marta Bonifert, Executive Director of the Regional Environmental Center for Central and Eastern Europe (REC), expressed her appreciation for the good collaboration REC has with the partner organisations - OSCE, UNECE, UNEP, UNDP - under the umbrella of the Environment and Security (ENVSEC) Initiative. She mentioned the importance of the adoption of the Sustainable Development Goals (SDGs) in 2015 and of the work of the ENVSEC Initiative in engaging national and regional stakeholders in implementing the SDGs at local level.

Ms. Adriana Gheorghe, Project Manager – Cooperation EU Neighbours and Central Asia, European Environment Agency (EEA), introduced the work of the EEA, underlining its role in improving the free access to information and knowledge, by supplying reliable, relevant and transparent information for both policy makers and the public at large. The speaker mentioned that the work and geographic areas covered by the OSCE and the EEA provide the common ground for enhancing collaboration. She gave several examples of the reports published by the EEA and referred to the data policy published on the EEA web-site. She noted that it is an innovative approach in the pan-European region, adding that the EEA works jointly with UNEP in replicating this approach at the global level. Ms. Gheorghe presented the new initiative launched at the EU level to strengthen transparency and accessibility of information - the Shared Environment Information System (SEIS) - and touched upon the core principles governing this initiative, which include free and open information, accessibility and reliability of information. Noting how the public sector could be guided on obtaining and understanding the available information presented, she mentioned the environmental indicators updated by the EEA with the purpose to support the policy areas. She then presented the Indicator Management System and the European Environment State and Outlook 2015 and briefed the participants on the importance of easy navigation and accessibility through modern tools including subscription channels, social media channels, as well as dedicated Youtube pages. The speaker invited the participants to follow the upcoming international and regional events, including the United Nations Environmental Assembly (May 2016 in Nairobi/Kenya) with a focus on the implementation...
of the Sustainable Development Goals, and the 8th Environment for Europe Ministerial Conference (8-10 June in Batumi, Georgia), with a focus on green economy and air quality. Further in 2017, the Sixth Ministerial Conference on Environment and Health will take place. In concluding, Ms. Gheorghe outlined some potential areas for future work the OSCE could contribute to. These are included under the conclusions and recommendations at the end of this session’s summary.

Ms. Nino Tandilashvili, Head of Division of Relations with the Parliament and Legal Drafting, Department of Legal Affairs, Ministry of Environment, Georgia, underlined the importance of involving all stakeholders in the decision-making process. Referring to Georgia, she emphasized the importance of engaging citizens in large programmes and projects as they contribute by sharing information, presenting the views of the community and taking ownership, which constitutes valuable support for decision makers. She also noted that the public should be involved at an early stage in the decision-making process when all options are still open and accessible for discussion. Furthermore, the speaker mentioned the importance of identifying the respective stakeholders that should be notified and the need to include in the final decision the feedback received during the consultative process. Ms. Tandilashvili touched upon the support offered by the authorities in ensuring a transparent path for access to information and public participation in the decision-making process. In the case of Georgia, this is ensured through structural units, such as the Centre of Environmental Education and Information (the former Aarhus Centre) under the Ministry of Environment, which constantly updates environmental information as well as draft laws related to the environment on its webpage. This provides an opportunity for all interested stakeholders to present their views and participate in the respective processes. She noted that the Georgian government, in collaboration with the OSCE, involved the local governmental bodies and the public in discussion on the Draft Waste Management Law before its adoption. In this context, she underlined the need to involve the public in the decision-making process. By ensuring the implementation of these principles, Georgia also fulfils its commitments for the implementation of international conventions such as the Aarhus Convention. Ms. Tandilashvili highlighted the need for an effective legislative framework and made a specific reference to the Environmental Impact Assessment (EIA) and the Strategic Environmental Assessment (SEA) regulations. Referring to the EU Association Agreement, the speaker noted Georgia’s work on making the legislative framework more comprehensive and harmonizing the national legislation and mentioned the development of a new draft on SEA procedures. Furthermore, she noted the country’s efforts to introduce the obligation to involve the public in the decision – making for large scale projects and programmes. Referring to the main challenges for the implementation of the legislation, Ms. Tandilashvili highlighted the institutional challenges, the lack of financial resources, the need for capacity-building as well as the lack of experienced professionals in the field of SEA, EIA, statistical information, etc. She mentioned the support for addressing some of the challenges that was provided by international organizations, including a number of OSCE projects and programmes. The work conducted through the OSCE-supported Environmental Information and Education Centre was specifically emphasized. In concluding, Ms. Tandilashvili underlined the importance of continued work on raising public awareness on environmental issues, supporting a culture conducive to the involvement of the public in decision-making processes, as well as the exchange of best practices in this area among different countries.

Ms. Maria Brückner, Project Manager, Zebralog, Germany, presented the example of a consultative process designed and organised on behalf of the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety. As mentioned by the speaker, the goal of the consultation meeting was the participation of citizens in updating the German Resource Efficiency Programme (ProgRess) and collecting the public’s view on
resource efficiency in general. The target group was regular citizens from different communities. Ms. Brückner presented the structure of the public hearings and associated activities. These included community workshops, an online dialogue platform for collecting comments and suggestions from the public. A closing session (‘citizens advice’) was organised to discuss final results and develop recommendations shared with the Ministry. As a follow up to the consultative process, the Ministry will issue an official position reflecting the outcome of the recommendations provided. Ms. Brückner mentioned that each workshop was attended by 40 -50 participants (in total, over 200 persons) and a brief overview on resource efficiency was presented by an expert at the beginning of each workshop. In terms of the concrete recommendations, the speaker mentioned the need to create further awareness on the topic, support innovations and improve resource saving materials and products. In concluding, Ms. Brückner underlined once again the importance of the right timing and planning of action, the need for transparency, provision and visualization of information as well as the need for political support.

Mr. Dmitry Prudtskikh, Khujand Aarhus Centre, Tajikistan, presented the experience of the Aarhus Centre in promoting green economy mechanisms in the micro finance sector. He mentioned that the first collaboration of the Centre with the micro finance institutions started in 2013 with the Poverty and Environment Initiative (PEI), a joint UNEP and UNDP initiative through which green credits were introduced into the Sughd region of Tajikistan. Mr. Prudtskikh noted that the Aarhus Centres have an important role to play in enabling the collaboration between clients of the micro-finance organizations and business representatives in the agricultural sector. He mentioned specific examples of the Aarhus Centre’s training activities targeting staff of micro finance organizations to facilitate integration of poverty and environment related issues in their work. Additionally, he outlined procedures and terms for granting of “green credits” and organization of field visits with a focus on environmentally friendly technologies in agriculture. Furthermore, the Aarhus Centre staff organized open public consultations for the clients of the micro finance organizations as well as relevant outreach activities. He noted the Aarhus Centres’ support in the development of environmental policy documents for micro finance organizations in Tajikistan. Presenting the achieved results, Mr. Prudtskikh noted that nine business plans were developed and financed in loans worth of USD 100,000 (funds provided by PEI). Mr. Prudtskikh spoke about the future perspectives of the Aarhus Centres identifying several areas for action. The Aarhus Centres can continue to demonstrate the benefits of an active civil society engagement in decision-making to all stakeholders (government, business and industry, international financial institutions). They can also provide consultations, trainings on integration of green economy mechanisms in the private sector, involving International Financial Institutions as well as attracting more media attention to promote green economy. In concluding, the speaker noted that the OSCE could support the publishing of the guideline / manual “Using Aarhus Centres to promote Green Economy tools”. It could organize capacity building activities for the Aarhus Centres staff on Green Economy issues, and can establish facilitation mechanisms between Aarhus Centres and international financial institutions.

The floor was opened for discussion.

A representative of a civil society organisation from Tajikistan referred to the presentation delivered by Ms. Tandilashvili, and inquired about the current stage of the legislative reform process in Georgia and the EU requirements in this respect. He asked for further information on the situation of the business sector in respect to the harmonization of the national legislation. He also asked whether environmental assessments are conducted, or whether the country currently passes an intermediary phase in implementing and harmonising the national legislation.
A representative of Switzerland referred to the presentation delivered by Mr. Prudtskikh, thanking him for identifying future avenues for OSCE involvement and inquiring whether there are other Centres in the Aarhus Centres Network that are active in this field. Furthermore, he inquired whether it is advisable to encourage people to get involved into International Climate Credits Associations, and, thus, encouraging further private companies to invest in similar projects.

A representative of the Regional Environmental Centre for Central and Eastern Europe (REC) stressed the importance of ensuring sustainable governance through inclusive participation of the citizens in discussions and environmental decision-making as well as of overcoming the challenge of bringing the stakeholders to a level of understanding of the policy agendas at local and national levels. Raising awareness and strengthening the capacities of stakeholders are equally important for ensuring a successful public participation process. Additionally, the procedures should be brought down to the level of the interested participant, in the attempt to provide a common understanding for all participants. In concluding, the representative inquired whether other participants in the meeting faced similar challenges.

Ms. Tandilashvili replied to the question from the civil society representative of Tajikistan and mentioned that legislation is well in place, including on the Environmental Impact Assessment. However, after the EU Association Agreement was signed, the legislation needs to be more comprehensive and parts of the legislation need to be revised. She mentioned that public hearings with local authorities, the public sector, academia, and the general public are already being conducted. Full legislation needs to be enforced and the respective mechanisms should be created. On the question related to the transition period of the country for implementing the EIA procedures according to the EU standards, she mentioned that the process is already ongoing and that there is no such period granted.

On the question raised by REC, the speaker underlined the importance of making the information available to the public as well as presenting it in an understandable, clear and less technical format.

Mr. Prudtskikh replied to the question raised by Switzerland and mentioned that in Central Asia most of the Aarhus Centres work closely with the private sector (in Kyrgyzstan there is a strong collaboration with private companies active in the mining sector). He underlined that the Aarhus Centres are working on a roadmap that was developed by the OSCE in an attempt to identify entry points and activities by the Aarhus Centres to support the relevant components of the Aarhus Convention Strategic Plan, and which clearly encourages the collaboration with the private sector. Furthermore, the Aarhus Centres should continue to make use of the tools provided by the Aarhus Convention in accessing microfinance. Related to the second question, Mr. Prudtskikh mentioned that co-operation with international finance mechanisms is relatively new and in this respect more attention should be devoted to these aspects.

The following conclusions and recommendations could be drawn from the discussion:

- Access to information, public participation in decision-making as well as access to justice in environmental matters are the key rights that make a major contribution in strengthening principles of good environmental governance. Transparency, accountability and accessibility of information for the public play an important role in providing the necessary framework for their implementation;
Increasing the public awareness of environmental challenges and of the means for public involvement in finding solutions to the identified challenges is a process that requires long-term efforts. A culture conducive to the involvement of the public along with relevant authorities in decision-making should be cultivated and strengthened;

The process of involving the public in environmental decision-making is a win-win situation for both the public and the authorities: on the one hand, democracy is ensured and citizens are empowered and, on the other hand, the participation of the public enriches political decision-making;

Authorities should support public consultations, including by participating in public hearings that are organized. This increases trust and accountability of the information provided and enhances the public’s trust in participating in the public consultations;

Through their work, the Aarhus Centres continue to demonstrate the benefits of active civil society engagement in decision-making to all stakeholders. They organize consultations and trainings on the integration of green economy mechanisms in the private sector, and involve International Financial Institutions in their work. The OSCE can help organizing capacity building activities for the Aarhus Centres staff on various topics, including green economy, fundraising opportunities, etc.;

The OSCE could enhance its partnership with other key players and donors and provide its contributions to cross-cutting assessments and current international debates;

The OSCE could assist in the implementation of existing international commitments and obligations of the participating States and promote the Shared Environment Information System (SEIS) principles beyond environmental networks and governmental structures for better use and sharing of available information and knowledge.
Ms. Désirée Schweitzer opened the session underlining the importance of responsible management in the raw materials sector for sustainable development as well as for the enhancement of security within and beyond the OSCE region.

H.E. Ambassador Artur Lorkowski, Ambassador of Poland to Austria, former Deputy Director of the EU Economic Department, Ministry of Foreign Affairs, Poland, presented the recently published report “Poland’s Policy on Raw Materials: What is Missing Although Much Needed”. Referring to the debates over the methods of mining raised by a number of experts in the context of ongoing discussions on shale gas and oil production, he informed the audience that the Polish government tasked the Ministry of Environment to carry out a comprehensive overview of the Polish raw materials management system. The Polish Geological Survey, a new entity to be established, would play the key role in it. Full use of the resources and information collected systematically for more than 100 years by another entity, the Polish Geological Institute, will allow determining existing and potential conflicts between exploration of natural resources and environment, which need to be taken into consideration in the administrative decision-making process. This approach also provided an opportunity for Poland to participate in the collaborative project “Resourcing Future Generations” led by the International Union of the Geological Scientists. Given that the resource potential of Poland is well explored, the main challenge is to protect already identified or inferred mineral deposits for future generations. It can be done through elimination of risks of overbuilding terrain above those deposits. Moreover, it can also be done through distribution of relevant information and land maps at different levels of administration, including the local one. Ambassador Lorkowsky concluded that the ongoing critical review of the existing system of granting genealogical concessions should allow
reconciling the needs of the state, communities and environment in order to ensure sustainable exploitation of mineral resources in the coming years.

Mr. Eero Yrjö-Koskinen, Chairman of the Finnish Network for Sustainable Mining, provided an introduction to the activities of the Finnish Network for Sustainable Mining. Underlining the crucial importance of the mining sector for the national economy, with around 20 operating companies and 4,500 people directly employed in the industry, he drew attention to the increasing pressure on the companies to acquire social licences for their activities as well as to the rising amount of conflicts in land use. Despite the fact that in 2011 the new mining legislation was introduced in Finland with the aim to restrain public fears and concerns, the true turning point for the Finnish mining policy was the major accident at the Talvivaara mine in October 2012, when contaminated water leaked into the fresh water. Followed by a public consultation, a six month roundtable process was established by the joint efforts of the Ministry of Employment and Economy and the Ministry of Environment in order to devise a national plan for sustainable mining. As a result, in May 2014 the Finnish Network for Sustainable Mining was set up. It involves the main mining companies and other stakeholders, including environmental NGOs, WWF Finland, The Finnish Metal Workers’ Union, Regional Council of Lapland, etc. The Finnish Innovation Fund took the lead in building the network on the basis of voluntary mechanism, open dialogue, constructive co-operation and with the ultimate goal to increase sustainability, improve self-regulation and reduce social conflicts in the mining sector. Since then a number of practical instruments, such as a toolbox for local actions were created. This is a checklist, which should be consulted by the companies while entering new markets. He also referred to samples of corporate social responsibility reports and new sustainability standard for mining operations. The speaker proceeded with outlining the main structure of the network, consisting of a board, an executive committee and five working groups. With reference to the recently adopted Finnish standard for sustainable mining, it was emphasized that the standard is based on the “Canadian Towards Sustainable Mining Initiative” (TSM). It covers a broad range of topics, such as biodiversity, safety and health, tailings management, stakeholder’s involvement, energy use and GHG emissions, crisis management, closure of operations, and water management. The standard consists of eight protocols, each of them having 3-5 evaluation criteria, according to which companies are being classified in terms of their performance. External auditing is envisaged every three years. He also noted that, at the moment, the network is preparing a joint proposal for “Horizon 2020”, the EU’s Framework Programme for Research and Innovation, in order to expand similar practices to the other 15 EU regions and countries. Mr. Yrjö-Koskinen proposed for the OSCE to consider how the Finnish experience could be shared among participating States in order to reduce social conflicts and improve trust in mining activities in the OSCE area and beyond.

Mr. Howard Mann, Senior Adviser to the Secretariat, Intergovernmental Forum on Mining Minerals and Metals (IGF), focused his presentation on the inter-linkages between sustainable mining, social and economic development, and peace and security. He stressed that a three pillar approach, incorporating environmental, economic, and social and human rights perspectives, should be adopted in order to better address issues of sustainable mining. It was underlined that mining needs to be seen as a collaborative process between government, companies and communities. To avoid disruptions in mining activities, it is of fundamental importance to work with the communities during the pre-mining period and during the pre-exploration phase. A number of stalled mining projects in the OSCE area demonstrated clearly that the social licence is as important as all the other licences and permits. It takes as much time and efforts to get it as all the others. Equal risks are also hidden in the post-mining cycle because inappropriate closure of mines often results in
economic and social crises, dislocations of workers, and political instability. The speaker emphasized that mining, which is not connected to sustainable development, not supportive to equal and inclusive economic development, increasingly fails and that adverse effect of non-sustainable mining is extremely visible at a local level. Inability of companies and communities to work together not only has major impacts on the economic viability of mines, especially in low commodity price periods, but also entails major repercussions for the political stability and ultimately for peace and security, although non-sustainable mining alone could hardly cause a major conflict. For these reasons, Intergovernmental Forum on Mining Minerals and Metals sees sustainable development as its main goal, with 53 member states involved. A multi-stakeholder perspective with special emphasis on development of regional approaches is at the core of its activities. IGF Mining Policy Framework was referred to as a primarily basis for operation. It includes six main pillars such as environmental management, social and economic benefit optimization, financial benefit optimization, legal and policy framework, post-mining transition, and Small-Scale Mining. The climate change aspect will be added to the Framework as part of the review process to take place in 2-3 years. In conclusion, Mr. Mann listed a number of recommendations regarding the OSCE’s possible role in ensuring mining for sustainable development.

Mr. Dorjdari Namkhaijantsan, Manager, National Resource Governance Institute, Mongolia, stated that it is statistically proven that resource wealth, very often, does not benefit to the prosperity of the Resource Rich Countries (RRC). More than 1.5 billion people live in poverty in 50 RRC. Nevertheless, the so-called resource curse is not pre-determined. The key issue to be addressed in this regard is the deficit of governance of natural resources as well as a lack of transparency, effective control of corruption and accountability. It was indicated that transforming oil, gas, and mineral wealth into sustainable development requires effective work throughout a complete chain of economic decisions. In this regard, international regulations, international organizations and multinational companies have a major role to play in forming and solidifying an international foundation for good resource governance. The speaker stressed that, although good policies are important, institutions are also vital for the implementation of those policies. He further noted that there are some problems to be tackled in this area since government bodies are often underskilled and understaffed and therefore unable to ensure successful enforcement of rules and regulations. In Mongolia, which is the least densely populated country in the world, implementation of good policies is impossible without engaging communities and civil society. The Extractive Industry Transparency Initiative (EITI), which Mongolia joined in 2006, was described as an example of good resource governance. The quality-checking mechanism, institutional set up that enables civil society to take an active and substantial part in the decision-making process, and obligatory principle of the majority of the EITI’s requirements were highlighted. In conclusion, Mr. Namkhaijantsan encouraged the OSCE to promote EITI among its participating States. He also suggested that the OSCE could facilitate co-ordination between different players, donors and experts, operating together in the mining sector, to ensure sustainable mining for the benefits of local communities.

Mr. Kanybek Isabaev, Director, Aarhus Centre, Osh, Kyrgyzstan, stated that the development of the mining industry, based on rational use of resources, corporate social responsibility as well as compliance with regulatory frameworks, is crucial for the social and economic development of Kyrgyzstan. He gave an overview of the main causes of conflicts between the population and mining companies, such as a lack of transparency and insufficient information regarding the number of jobs created in the sector, non-compliance with standards resulting in contamination of the environment, lack of education of the population, and location of mining industries in remote areas where very often there are no any other industries operating. Therefore, the Aarhus Centre in Osh gives a special priority to the dissemination of
information on the activities of mining companies and relevant changes in the regulatory frameworks. The speaker briefly described workshops, trainings, and public hearings, which had been carried out by the Aarhus Centre, partly in co-operation with the Eastern Finland University. The recently adopted Law on Subsurface Use and issues of public participation were in the focus of discussion. It was noted that during one of the hearings a proposal was voiced to carry out a bidding procedure to determine the areas to be exploited for extractive industries. In addition, the Aarhus Centre organized a number of events for public officials to provide them with detailed information on the existing clear-cut procedures to hand out licenses to mining companies as well as on a number of mechanisms to avoid conflicts that might emerge in the mining sector. Turning to the results achieved, Mr. Isabaev stressed that in 2014 the Ministry of Geology and Environment ran the first auction on exploiting the gold reserves in line with the new legislation and with active participation of the civil society. He also listed a number of activities implemented by the mining companies in rural and mountain districts for the development of local communities. In conclusion, the speaker identified main challenges to be tackled, emphasizing that inability of the population to understand information regarding the subsoil use in terms of technologies and their rights is one of the main issues. He also outlined the main successes achieved with support of the OSCE, mainly in raising awareness and strengthening capacities of local population and authorities.

The floor was opened for discussion.

A representative of Yerevan State University, Armenia, reflected on the Armenian experience in raising public participation in the environmental decision-making process. He emphasized that in the triangle relationship between civil society, political society and economic society, all three elements have to act transparently, and that the issue of granting direct and unhindered access to environmental information to the civil society needs to be specifically addressed. He suggested that an exchange of best practices, information sharing and undertaking joint activities between the Aarhus Centres and other civil society organizations at the national and international level can be beneficial. He also underlined that those organizations should act as both information centres and centres of expertise.

Ms. Désirée Schweitzer noted that the Aarhus Centres Annual Meeting provides a good opportunity for such an exchange of best practices and information sharing.

A representative of the OSCE German Chairmanship thanked the speakers for the comprehensive presentations and inquired on the incentives for Finnish companies to participate in the Finnish Network for Sustainable Mining. He also asked to elaborate further on the possibility to expand the geographical footprint of the initiatives undertaken by Finland in the mining sector to regional and trans-boundary level.

A representative of the Kazakhstan Committee of Geologists was interested if the Intergovernmental Forum on Mining Minerals and Metals co-operates with Kazakhstan and other CIS countries.

Mr. Yrjö-Koskinen emphasized that compliance with the new Finnish standard for sustainable mining requires time, human and financial resources, and therefore companies must be convinced that it would have added value for their work. The most important added value to start applying this standard is that it, indeed, enables companies to avoid costly social and environmental conflicts.
Mr. Mann noted that one of the main incentives for companies to join IGF is that it helps them to meet their domestic requirements for sustainable development and that in case of an accident or incident it becomes part of their self-defence policy. IGF works with individual governments, as well as at the regional and sub-regional levels, in order to review existing laws and procedures against IGF’s Mining Policy Framework and identify possible gaps, while ensuring that offered solutions are tailored for the specific needs and capacities.

A representative of the Secretariat of the Basel, Rotterdam, and Stockholm Convention asked Mr. Yrjö-Koskinen on the source of funding of the Finnish Network for Sustainable Mining.

Mr. Yrjö-Koskinen noted that the Finnish Network for Sustainable Mining is operating under the auspices of the Finnish Mining Association that, despite some initial concerns, turned out to become a guarantor of having all the mining companies operating in Finland on board. He explained that the Finnish Innovation Fund has provided and will provide funding for the Finnish Network for Sustainable Mining for three more years to come, with increasing contributions from the mining companies.

Mr. Dorjdari Namkhajantsan expressed the opinion that, given dire financial needs of developing countries, only an international bidding mechanism could make countries abide by an international ban on mining forbidden minerals.

Mr. Yrjö-Koskinen indicated that the EU countries produce only 20% of minerals which they consume. There is a direct interest to increase the share of production, including urban mining (recycling).

Ms. Désirée Schweitzer summed up that the discussion underlined that mining should be seen as a collaborative approach among business, government and community and that it is of crucial importance to involve civil society and other stakeholders in the decision-making processes.

The following conclusions and recommendations were made:

- To ensure sustainable mining, a three pillar approach, which incorporates economic, environmental, as well as social and human rights perspectives, is needed;
- In order to prevent conflicts related to mining activities, the work with local communities on the pre-mining phase is of crucial importance;
- Public-private partnerships are necessary to adjust to low commodity prices. A lack of them could increase the development of major social, economic and, therefore, political and security risks;
- The OSCE could help to expand regional approaches to mining issues and good governance, based on existing international standards;
- A deficit in governance is the main challenge for resource rich countries and the main cause of the so-called “resource curse”;
- The OSCE as a platform for dialogue has a key role to play in facilitating the exchange of experience and the use of new technologies;
- The OSCE could facilitate dissemination of information on the rights of the population and, therefore, increase the ability and capacity of civil society and local communities to participate substantially in the environmental decision-making process, through cooperation with the Aarhus Centres.
The Moderator, Jan Dusík, Director, UNEP Regional Office for Europe, introduced the session by outlining that many risks are related to the use of natural resources. Hence, reducing the dependence on natural resources through higher efficiency will decrease security risks. Although resource efficiency and green economy is a win-win approach, there is still resistance and political and legal barriers. He informed about the upcoming “Environment for Europe” Ministerial Conference in June 2016 in Batumi, Georgia, where a green economy strategic framework for the region is expected to be adopted.

Ms. Birgit Schwenk, Head of Division, European and International Affairs of Resource Efficiency, Raw Materials Policy, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany, gave an overview on the German experience in promoting resource efficiency on national and international level. She reiterated that resource efficiency is a win-win solution for business and society. She stressed that we have to decouple growth and prosperity from the use of natural resources. The environmental, social and human rights concerns of resource extraction, as well as the highly volatile costs make resource efficiency a business strategy, in particular for a country like Germany with strong dependence on raw materials imports. She outlined the German Resource Efficiency Programme (ProgRess), which set the national target to double raw materials productivity by 2020 against 1994. Measures are addressing the whole production chain and specific challenges of different types of companies. For small and medium-sized enterprises (SMEs), for example, policy measures included state sponsored consultancy services and the establishment of a resource efficiency competence centre. With regard to the international level, she pointed out that several sub-targets of the Sustainable Development Goals refer to
resource efficiency. The German G7 presidency in 2015 put resource efficiency on the G7 agenda, a work that will be continued by the Japanese G7 presidency. Ms. Schwenk summarized the main lessons learnt in Germany: resource efficiency is a process, which needs the close involvement of stakeholders beyond the government. It needs long-term orientation for business through an exchange of best practices, awareness raising, and strong political underpinning.

Mr. Christiaan Prins, Head of European External Affairs, Unilever, Belgium, introduced Unilever as one of the world’s leading suppliers in food, home and personal care products in over 190 countries. In 2010, Unilever published its Sustainable Living Plan with the aim of decoupling growth from environmental impact. Due to its engagement, Unilever was ranked number one in its sector in the 2015 Dow Jones Sustainability Index. He underlined the exacerbating impacts of climate change, such as rising demand, price volatility, and supply chain shocks, which cause direct business impact. Resource efficiency replaced the linear business models with a circular model. Unilever’s Sustainable Living Plan (USLP) consists of three goals with clear benchmarks, which should be achieved by 2020. The progress is assessed each year and published. He underlined that the core reason for the USLP is driving growth; it is a business strategy and not corporate social responsibility. The aims are cutting costs, managing risks, and inspiring innovation. He further informed that 60% of the environmental impact of Unilever’s products occurs not in the production, but in the usage; therefore, the consumer level has to be addressed as well. This is indeed one of the biggest challenges. Other important aspects are the transformation of markets, new technology, and stimulating recycling. He stressed the essential need for partnerships - with industries, private foundations as well as with local municipalities. Governmental policies can help to upscale what companies are doing at micro level.

Dr. Bakhyt Yessékina, Climate Change Adviser to the Minister of Energy, Director of the “Green Academy” Scientific Research and Education Centre, Kazakhstan, gave an overview of Kazakhstan’s efforts towards greening the economy. She stressed that the global economic and financial crisis emphasized the need for green economy, which is the basis for sustainable development. She outlined the basic principles of green economy, which are: increasing of efficient use of natural resources; conservation of biodiversity; pollution reduction; low-carbon development; poverty reduction and development of human capital. Kazakhstan started to promote Green Economy in 1997 with the “Kazakhstan 2030” Strategy and since then adopted many documents, policies, and tools, such as the "Green Bridge" Partnership Programme, the Concept of Transition to Green Economy and the adoption of the National Action Plan for 2013 – 2020, the EXPO-2017 on the topic "Future Energy" in Astana, the reduction of GHG emissions, and introduction of green indicators. Dr. Yessékina thanked the OSCE Centre in Astana for its support in this field. She identified the following activities as a way forward to a green economy development in Kazakhstan:

- Improvement of the national statistical system based on "green" indicators (OECD, World Bank, Eurostat, etc.);
- Modernization of the planning and taxation system with considering the "green" principles (EBRD, OECD, etc.);
- Creation of the Green Bridge Institute - 2016 (OSCE+);
- Establishment of an International Centre of Green Technologies on the EXPO-2017 basis (OSCE+);
- Development of capacity building programmes for decision-makers, business and NGOs (OSCE, EU, UNDP, GCF, etc.).
Mr. Krzysztof Michalak, Senior Programme Manager, Environmental Directorate, OECD, focussed his presentation on ways to promote technological innovation to address climate change. He outlined that the OECD in 2011 embarked on promoting green growth across all directorates. While innovation has always been an important engine of growth, it often had negative impacts on the environment. A good example of green innovation is the advances in lighter plastic bottles that reduce waste, energy use, GHG emissions, and transportation costs. Mr. Michalak stated that the world is about to enter the 4\textsuperscript{th} industrial revolution of automatization that might achieve to limit GHG emissions without compromising economic growth. He further stressed the importance of the Paris Climate Agreement, but reminded that even its full implementation will not be enough to achieve the required level of GHG emission reduction. Therefore, green technology is important to close this emission gap. This was also reflected in the agreement and with the launch of the “Mission Innovation” at COP 21, in which 20 countries committed to doubling investments in research and development of green technologies in the next five years. Mr. Michalak stressed the need for green innovation not only in particular sectors but system-wide, and outlined three key strategies for such a transition: (1) framework policies must be adapted to support the entry and growth of young, innovative firms; (2) reverse the decline in public funding of basic research and remove barriers to private R&D investment in green technology; and (3) governments to create “lead markets” for greener transport, sustainable buildings, energy, etc. In concluding, Mr Michalak put forward some key messages, including:

- Put a price on GHG emissions in order to provide incentives across all stages of the innovation cycle;
- Provide predictable and long-term policy signals in order to create confidence for investments;
- Use flexible, appropriate and adequately sequenced policy measures;
- Balance the benefits of technology-neutral policies with the need to direct technological change toward climate-saving trajectories;
- Support research and development in a broad portfolio of complementary fields;
- Ensure that international policy efforts maximise the potential for sharing of knowledge and technologies of mutual benefit;
- Support international technology-oriented agreements.

Mr. Raffi V. Balian, Director, US Regional Environmental, Science & Technology, and Health Hub (HEST) for Central and Eastern Europe, explained that the HEST focuses on transboundary issues in order to support co-operation among the countries in the region, on issues such as flooding, forest fires, and health pandemics. One project partner is the International Sava Commission. He commended the launch of the Sava Water Council as an advisory stakeholder council of the Sava Commission next month, which is the first formal stakeholder body of a river basin commission in Central and Eastern Europe. As another example of HEST’s activities he mentioned a joint project with the Regional Environmental Center for Central and Eastern Europe (REC) on local environmental and energy action planning in different parts of Ukraine, which promotes civic participation in setting priorities and implementation projects at municipal level. Mr. Balian underlined the critical importance of sustainable development for security and safety of all countries. The Paris Climate Agreement was an historic and important achievement, but it is only the beginning of the real work. Many countries have already started to transform their economies and will be the future leaders of the 21\textsuperscript{st} century. He further gave an overview on the investments and policies of the U.S. government and U.S. states on energy efficiency and renewable energy and their benefits for consumers as to cost savings. For example, since 2009, wind energy
production in the US has tripled and solar energy has increased twentyfold, and solar industry added jobs ten times faster than the rest of the US economy. This showed the importance of investing in green technologies to support job creation and growth. He underlined the role of the government for funding research and the academic system, and the need to engage non-state actors. The OSCE could support (1) rationalizing pricing and government support for energy (subsidies), (2) neutral support for different types of technology in order to allow for innovation, (3) green procurement guidelines and good practices, (4) universal education on sustainability as promoted by the Aarhus Convention.

Mr. Gökhan Yetkin, CEO of Gonen Gubre Inc., Turkey, presented the example how the Turkish Independent Industrialists’ and Businessmen’ Association (MUSIAD) supports the role of green technologies for sustainable development, employment and environmental protection. Green technologies, in general, need local resources, create environmental friendly products, reduce or eliminate net carbon emissions, require high technology to be efficient and cost effective, spread well educated workforce all around the countries, encourage the education system to supply high calibre technical people, produce clean energy and prevent environmental pollution. Mr. Yetkin referred to the experience of the Turkish wood industry, which during the last 10 years developed a new harvest plan, and increased wood cutting, but at the same time created new plantations. The results are more wood production, more forest area, more jobs, income increase, and incentives for people to stay in rural areas. He also gave examples of investments in renewable energy by companies to cover their own energy needs and reduce waste, which is supported by the government and implemented in cooperation with academia, and led to innovations. Finally, he underlined that organic waste and biomass has a huge potential for green technologies and could be key for sustainable development, but using its potential needs better incentives and legislation.

The floor was opened for discussion.

A representative of Slovenia thanked Mr. Balian for mentioning the Sava Water Council and expressed his appreciation of its work.

A representative of Kazakhstan asked Dr. Yessekina about effective reporting of environmental parameters and how Kazakhstan will be involved in it.

A representative of the OSCE German Chairmanship asked about the potential to work closer with OSCE field operations.

A representative of Tajikistan asked Mr. Prins about the difference between the concept of circular economy that he presented and the Chinese approach.

Dr. Yessekina answered that Kazakhstan is currently co-operating with Eurostat and the OECD on improving statistical data in areas such as sustainable development and green indicators.

Mr. Balian welcomed the fruitful discussion he had with OSCE field operations; a possible area of co-operation could be the support for environmental education at local level. He also said that the OSCE would need to think about mandates of field operations, as some are outdated to face new challenges and address the needs of people.

Mr. Prins said, despite not being familiar with the Chinese approach, the concept of a circular economy is quite simple – reuse and recycle to create a closed loop.
The following conclusions and recommendations can be drawn from the discussion:

- Resource efficiency is a process that needs the close involvement of stakeholders beyond the government, long-term orientation for business through an exchange of best practices, awareness raising, and strong political underpinning;
- Technological innovation to address climate change needs to be supported by a range of policy measures in order to be effective;
- Partnerships among industries, private foundations as well as with local municipalities are essential to make green economy beneficial for all; governmental policies can help to upscale what companies are doing at micro level;
- The OSCE could support participating States in rationalizing pricing and government support for energy (subsidies), offering neutral support for different types of technology in order to allow for innovation, promoting green procurement guidelines and good practices, and strengthen universal education on sustainability as promoted by the Aarhus Convention.
Ms. Désirée Schweitzer, Deputy Co-ordinator/Head of Environmental Activities, Office of the Co-ordinator of OSCE Economic and Environmental Activities, introduced the session by underlining the security, safety and environmental implications of hazardous waste in the context of the OSCE region and noting the role of waste management in the OSCE framework. She emphasized that waste is increasingly managed at multiple levels and by various actors, including with the involvement of the private sector, civil society and the public. Moreover, sound waste management is an important element in the context of sustainable development and good environmental governance and has clear economic benefits. She pointed to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal as key international legal framework related to the transboundary movement of waste.

Ms. Olijana Ifti, Deputy Minister of Environment, Albania, presented the vision, priorities, policies and goals of the Albanian Government in the area of waste management. Urban waste and its management in line with approved environmental standards is considered one of the most pressing challenges in Albania. Addressing this issue embraces several areas ranging from the promotion of schemes for collection and separation of waste at source to public education and tariffs to the endeavors targeted at landfills and the promotion of public-private partnerships in the area of waste management. Ms. Ifti elaborated on the current legal framework, noting the most significant progress being achieved in the area of waste legislation which currently reflects the requirements of relevant EU Directives and the Basel Convention. Local governments and businesses are important stakeholders in the on-going waste management transformation. She underlined that the on-going development of a sustainable waste management system involves awareness raising and participation of the public and civil society.
Dr. Andreas Jaron, Head of Division, General, Principal and International Matters of Circular Economy, Transboundary Movement of Waste, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany shared his country’s experience in the area of sound waste management in the context of circular economy. Dr. Jaron outlined the evolution of the legal and policy frameworks since the 19th century, noting that the current waste management system relies on both efficient use of resources and circular economy when resources are brought back to the economy with less impact on the environment. Banning of direct landfilling since 2005 and higher costs and prices for disposing of residual wastes were identified as important incentives towards the creation of sustainable waste management. Dr. Jaron underlined that waste management in his country is an economic sector generating part of the GDP and employing around 200,000 people. He noted that 20 per cent of the Kyoto targets for reducing greenhouse gas emissions are reached through the country’s waste management. The robust capacities for hazardous waste management make it possible for other countries to import it to Germany for safe disposal. He concluded by briefly outlining some of the avenues for bilateral and multilateral cooperation in this area.

Ms. Tatiana Terekhova, Programme Officer, Secretariat of the Basel, Rotterdam and Stockholm Conventions spoke about preventing illegal transboundary movements of hazardous and other wastes with a focus on the mandate of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. She noted that the three conventions (Basel, Rotterdam and Stockholm Conventions) jointly cover the life-cycle of hazardous chemicals. Ms. Terekhova identified electronic and electric waste as a grave challenge including in the OSCE area as this type of waste is the waste growing. Referring to the progress in the implementation of the Basel Convention and global trends, she pointed out that the vast majority of hazardous waste is currently treated in the producing countries, and stays within the region where it is produced. She highlighted that the Basel Convention is well equipped in terms of enforcement as it requires the parties to the Convention to adopt national legislation for prohibiting and punishing illegal trafficking in hazardous and other waste. Ms. Terekhova spoke about the establishment of the Environmental Network for Optimizing Regulatory Compliance on Illegal Traffic (ENFORCE) to promote parties’ compliance with the provisions of the Basel Convention and to improve cooperation and coordination between relevant entities, and identified their involvement with ENFORCE as one of the possible areas for co-operation with the OSCE, along with the OSCE’s continued involvement in joint training and capacity-building activities undertaken by the Secretariat of the Basel Convention.

Mr. Georg Ketzler, Member of the Executive Board and CFO, Saubermacher Dienstleitungs AG, Austria started his presentation by identifying the most significant challenges that international waste management faces, including the increasing differences in environmental standards across countries, illegal trafficking of waste, urgent need for CO₂ reduction, growing demand for resources and disproportionate rise in global waste production. Many waste streams seem to be disappearing while they are essentially being illegally trafficked to countries with less stringent environmental standards (e.g. used cars and electronic and electric wastes). He identified as one of the highest priorities stopping the illegal trafficking of waste together with increasing environmental standards in the less developed areas. Mr. Ketzler shared a number of lessons learnt from his company’s experience in successfully establishing sustainable waste management. These include the need for local authorities to be aware of the importance of environmental protection and their commitment to sound waste management principles, a step-by-step approach, environmental education and know-how transfer. Mr. Ketzler made a number of recommendations for the OSCE’s involvement in the area of waste management. The OSCE could provide support in raising awareness about the
importance of sound waste management. It could contribute to the creation of homogeneous regulations and standards on waste management as well as give support to monitoring the compliance of waste management regulations. The OSCE could assist in helping end illegal waste export.

Mr. Dmytro Skrylnikov, Head of the NGO Bureau of Environmental Investigation, Ukraine spoke about addressing waste related challenges in Ukraine. He outlined several concrete examples of the waste challenges inherited from the past, the current state of affairs and emerging issues such as electronic and electric waste and counterfeit pesticides. Trafficking of hazardous waste is one of the most important challenges in the area of waste management for Ukraine. Given the importance of waste management issues in the context of conflict, he noted the OSCE’s possible support in helping address such challenges. Mr. Skrylnikov pointed out that the waste challenges are addressed at different levels, including policy and legislation, including those related to Ukraine’s implementation of the commitments in the EU Association Agreement, as well as activities at national and local levels and projects supported by international organizations, including the OSCE. He elaborated on the OSCE’s projects related to the prevention of the illegal trafficking in hazardous waste in Eastern Europe that include training activities, an electronic course for relevant authorities and the development and publication of a methodology on counteraction to contraband and counterfeit pesticides.

The floor was opened for discussion.

A representative of Austria inquired about cooperation modalities of the OSCE projects on prevention of illegal trafficking in hazardous waste in Eastern Europe.

A representative of the U.S. commended the endeavours on waste management undertaken in Albania. He inquired whether the private sector is involved in any work on technology to decrease the need for economy of scale and find creative and effective solutions. He also noted OSCE training activities to prevent the trafficking in hazardous waste as a promising area for continued further involvement.

In response to the question from Austria, Mr. Skrylnikov noted it was a joint endeavour involving the OCEEA and the Project Co-ordinator in Ukraine.

In response to the question from the U.S., Mr. Ketzler commented that it is very important to start with waste collection as a first step and ensure effective landfilling before a fully-fledged waste management system can be created.

The following conclusions and recommendations can be drawn from the discussion:

- Development of sustainable waste management systems involves awareness raising and participation of the public, civil society and the private sector;
- The waste management sector as an economic sector contributing to the GDP, can provide qualified employment opportunities and help reduce greenhouse gas emissions;
- Electronic and electric waste as well as counterfeit pesticides are among the emerging and pressing waste challenges in the OSCE region;
- The OSCE can provide support in raising awareness about the importance of sound waste management;
• The OSCE could assist in developing homogeneous regulations and standards on waste management by providing an exchange of best practices as well as give support with monitoring the compliance of waste management regulations;
• The OSCE’s work in the area of prevention of the illegal trafficking in hazardous waste (and the developed training material) can support efforts to prevent the illegal waste export and is a promising area for further involvement;
• The OSCE has been invited by the Secretariat of the Basel Convention to consider joining the Environmental Network for Optimizing Regulatory Compliance on Illegal Traffic (ENFORCE) managed by the Secretariat of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal.
The Co-ordinator of OSCE Economic and Environmental Activities, Dr. Halil Yurdakul Yigitgüden, emphasized that this First Preparatory Meeting showed the virtue of the OSCE as a unique platform to bring different stakeholders together and connecting them in an active dialogue. He stated that the theme of this year’s Forum would prove to meet the joint interest of all 57 participating States of the Organization, by connecting foreign and security communities with the business community and international and non-governmental actors in the joint endeavor for sustainable development.

Ms. Christine Weil, Deputy Head of the Permanent Mission of the Federal Republic of Germany to the OSCE, stressed that the Forum offered valuable insights into different aspects of good governance that are of common interest to all participating States. Also, the meeting has highlighted the essential role that the OSCE plays as a platform for dialogue and exchange of best practices in this field. She gave an outlook on the Second Preparatory Meeting, which will take place on 19 and 20 May in Berlin and will focus on “Good governance as a basis for business interaction and good investment climate as well as for the fight against corruption, money-laundering and the financing of terrorism” and “Good migration governance to support stable economic development in countries of origin, transit and destination”. Back-to-back with the Second Preparatory Meeting there will be a Chairmanship Conference on Economic Connectivity in the OSCE area. This business conference, which will take place on 18 and 19 May 2016, will gather business leaders and high-level representatives from all participating States for a meaningful dialogue on framework conditions for business interaction in the OSCE area. Cross-cutting issues such as infrastructure, logistics, customs and border administration, and trade facilitation will be discussed.

The Netherlands on behalf of the European Union (aligned by the former Yugoslav Republic of Macedonia, Montenegro, Serbia, Albania, the Country of the Stabilization and Association Process and Potential Candidate Bosnia and Herzegovina, as well as Ukraine, Georgia, Andorra and San Marino) looked forward to continue the discussions on good governance in relation to good investment climate and business interaction in May in Berlin and in September in Prague to identify further areas for future OSCE’s engagement.

The representative of France stated that this First Preparatory Meeting has underlined the significant importance of good environmental governance and the fight against climate change that OSCE’s role should be further looked at with regards to addressing risks
stemming from climate change. She expressed her hope that the Chairmanship business conference in Berlin in May would also allow to address the topic of climate change.

_The representative of Switzerland_ appreciated the German’s approach of involving the business sector in OSCE meetings as it provided fresh perspectives and a practical dimension to the discussions. The discussions have highlighted three important areas where the OSCE could strengthen good environmental governance: 1) the OSCE could promote ratification and reinforce the impact of multilateral conventions and international standards by strengthening its partnerships with the major global organizations competent in the field of environmental governance; 2) the issue of good environmental governance showed the importance of the OSCE’s comprehensive understanding of security. Active public participation would be key to gain legitimacy for large-scale projects and even for environmental governance, in general, to succeed; 3) the OSCE with its field presences and the Aarhus Centres could make a crucial contribution to the implementation of multilateral conventions and international standards and raising public awareness. He concluded by stating that the idea of improving the mandates of the OSCE field missions would merit close attention as they should include economic and environmental activities.

_The representative of the U.S._ emphasized the importance of the rule of law and good governance. He referred to the presentation of Mr. Shenkman, Deputy Counsel of the U.S. Environmental Protection Agency, who shared details about the U.S. participation in the Global Lead Paint Initiative. The implementation of this initiative, which would have the potential to dramatically reduce harmful levels of lead in paint by the year 2020, could be an opportunity for the Aarhus Centres and OSCE field missions by working with host countries to adopt national legislation and raise public awareness also in this area.

_The representative of Canada_ highlighted the role of the OSCE as a platform for dialogue.

_The representative of Serbia_ commended the topics chosen for this conference as they help to strengthen the Economic and Environmental Dimension of the OSCE.

_The representative of Austria_ underlined the importance of strengthening good environmental governance. He echoed the call for the OSCE to contribute more vigorously and at all levels in order to implement the goals of the Paris Agreement under the United Nations Framework Convention on Climate Change. He underlined the need for strengthening the Economic and Environmental Dimension, in general, and the OSCE field operations, in particular, including the co-operation with Aarhus Centers and within the framework of the ENVSEC Initiative.

The following conclusions and recommendations can be drawn from the discussion:

- Good environmental governance generates a more secure environment for all and contributes to a sustainable investment climate and competitiveness. This requires stable regulatory frameworks, appropriate institutional architecture, new economic instruments, public-private partnerships and reinforced co-operation and co-operation among the countries - an area where the OSCE could make a significant contribution;
- Good governance, the rule of law and multilateral approaches are important elements in the context of enabling a favourable investment climate and business environment;
- Involving the public in environmental decision-making is a win-win situation for both the public as well as the decision-makers: on the one hand, democracy is ensured and citizens are empowered. On the other hand, the participation of the public in the political decision-making increases ownership and eases implementation;
• Stakeholder awareness, participation and partnership are crucial for ensuring good environmental governance in the raw materials sector. The OSCE could help to enhance its activities on community awareness and participation and expand national best practices on mining issues to regional approaches, based on international standards;

• Resource efficiency and green technologies are instruments for sustainable development. They not only contribute to sustainable development but also bring significant benefits for business and society. Resource efficiency is not only an environmental goal, but rather a process that decreases economic costs and risks for companies and thus makes them more competitive;

• Hazardous waste and chemicals have serious safety and security implications for the OSCE participating States at local, national, and transboundary levels. Environmentally sound management of waste and hazardous chemicals has multiple benefits for government, business, civil society, and communities.
DECISION No. 1176
THEME, AGENDA AND MODALITIES FOR THE
24th ECONOMIC AND ENVIRONMENTAL FORUM

The Permanent Council,


Relying on the OSCE Strategy Document for the Economic and Environmental Dimension (MC(11).JOUR/2) and relevant Ministerial Council decisions,

Building on the outcomes of past Economic and Environmental Forums, as well as on the results of relevant OSCE activities, including follow-up activities,

Decides that:

1. The theme of the 24th Economic and Environmental Forum will be: “Strengthening stability and security through co-operation on good governance”;

2. The 24th Economic and Environmental Forum will consist of three meetings, including two preparatory meetings, one of which will take place outside of Vienna. The concluding meeting will be held from 14 to 16 September 2016 in Prague. These arrangements shall not set a precedent for future meetings of the Economic and Environmental Forum. The Office of the Co-ordinator of OSCE Economic and Environmental Activities, under the guidance of the OSCE Chairmanship for 2016, will organize the above-mentioned meetings;

3. The agenda of the Forum will focus on the impact of the following topics on the comprehensive security of the OSCE area:

   – Good governance as a basis for business interaction and good investment climate as well as for the fight against corruption, money-laundering and the financing of terrorism;
– Good migration governance to support stable economic development in countries of origin, transit and destination;
– Good environmental governance to enable sustainable economic development;

4. The agendas of the Forum meetings, including timetables and themes of the working sessions, will be proposed and determined by the OSCE Chairmanship for 2016, after being agreed upon by the participating States in the Economic and Environmental Committee;

5. Moreover, having a view to its tasks, the Economic and Environmental Forum will review the implementation of OSCE commitments in the economic and environmental dimension. The review, to be integrated into the agenda of the Forum, will address OSCE commitments relevant to the theme of the 24th Economic and Environmental Forum;

6. The discussions at the Forum should benefit from cross-dimensional input provided by other OSCE bodies and relevant meetings organized by the Office of the Coordinator of OSCE Economic and Environmental Activities, under the guidance of the OSCE Chairmanship for 2016, and from deliberations in various international organizations;

7. Moreover, having a view to its tasks, the Economic and Environmental Forum will discuss current and future activities for the economic and environmental dimension, in particular the work in implementation of the OSCE Strategy Document for the Economic and Environmental Dimension;

8. The participating States are encouraged to be represented at a high level by senior officials responsible for shaping international economic and environmental policy in the OSCE area. Participation in their delegations of representatives from the business and scientific communities and of other relevant actors of civil society would be welcome;

9. As in previous years, the format of the Economic and Environmental Forum should provide for the active involvement of relevant international organizations and encourage open discussions;

10. The following international organizations, international organs, regional groupings and conferences of States are invited to participate in the 24th Economic and Environmental Forum: Asian Development Bank; Asian Infrastructure Investment Bank; Barents Euro-Arctic Council; Organization of the Black Sea Economic Cooperation; Central European Initiative; Collective Security Treaty Organization; Commonwealth of Independent States; Conference on Interaction and Confidence-Building Measures in Asia; Council of Europe; Council of the Baltic Sea States; Economic Cooperation Organization; Energy Community; Eurasian Economic Commission; Eurasian Economic Community; Eurasian Economic Union; European Bank for Reconstruction and Development; European Environment Agency; European Investment Bank; Food and Agriculture Organization of the United Nations; Financial Action Task Force – FATF; Green Cross International; International Anti-Corruption Academy; International Atomic Energy Agency; International Energy Agency; International Institute for Applied Systems Analysis (IIASA); International Fund for Saving the Aral Sea; International Maritime Organization; International Monetary Fund; International Red Cross and Red Crescent
Movement; International Committee of the Red Cross; North Atlantic Treaty Organization; Organization of the Petroleum Exporting Countries (OPEC); OPEC Fund for International Development (OFID); Organisation for Economic Co-operation and Development; OECD Anti-Corruption Network of Eastern Europe and Central Asia; Organization for Democracy and Economic Development – GUAM; Organisation of Islamic Cooperation; Regional Cooperation Council; Secretariat of the United Nations Convention to Combat Desertification; Southeast European Cooperative Initiative; Secretariat of the United Nations Framework Convention on Climate Change; Shanghai Cooperation Organisation; United Nations Committee of Experts on Public Administration (CEPA); United Nations Development Programme; United Nations Economic Commission for Europe; United Nations Economic and Social Commission for Asia and the Pacific; United Nations Commission on Sustainable Development; United Nations Environment Programme; United Nations Human Settlements Programme; United Nations Industrial Development Organization; United Nations Office for the Coordination of Humanitarian Affairs; United Nations Office for Disaster Risk Reduction; United Nations Office of the High Commissioner for Refugees; UN Women; United Nations Special Programme for the Economies of Central Asia; World Bank Group; World Health Organization; World Meteorological Organization; World Trade Organization; Advisory Group on Environmental Emergencies; Joint UNEP/OCHA Environment Unit; International Strategy for Disaster Reduction; United Nations Children’s Fund; Capacity for Disaster Reduction Initiative (CADRI); United Nations Disaster Assessment and Coordination; International Civil Defence Organization; World Food Programme; Global Facility for Disaster Reduction and Recovery; Inter-Parliamentary Union; Regional Environmental Centre for Central and Eastern Europe (REC); Regional Environmental Centre for Central Asia (CAREC); and other relevant organizations;

11. The OSCE Partners for Co-operation are invited to participate in the 24th Economic and Environmental Forum;

12. Upon request by a delegation of an OSCE participating State, regional groupings or expert academics and business representatives may also be invited, as appropriate, to participate in the 24th Economic and Environmental Forum;

13. Subject to the provisions contained in Chapter IV, paragraphs 15 and 16, of the Helsinki Document 1992, the representatives of non-governmental organizations with relevant experience in the area under discussion are also invited to participate in the 24th Economic and Environmental Forum;

14. In line with the practices established over past years with regard to meetings of the Economic and Environmental Forum, the outcomes of the preparatory meetings will be reviewed at the concluding meeting of the 24th Economic and Environmental Forum. The Economic and Environmental Committee will further include the conclusions and policy recommendations of the 24th Economic and Environmental Forum and the reports of the rapporteurs in its discussions so that the Permanent Council can take the decisions required for appropriate policy translation and follow-up activities.
Opening address

Ambassador Eberhard Pohl
Chairperson of the OSCE Permanent Council, Permanent Representative of Germany to
the OSCE, 2016 OSCE German Chairmanship

First Preparatory Meeting of the 24th OSCE Economic and Environmental Forum
“Strengthening stability and security through cooperation on good governance”
Vienna, 25 January 2016

Excellencies,
Distinguished delegates,
Ladies and gentlemen,

On behalf of the German Chairmanship it is my great pleasure to welcome you all to the First
Preparatory Meeting of the 24th OSCE Economic and Environmental Forum, dedicated to the
topic of “strengthening stability and security through cooperation on good governance”. I
warmly welcome the Secretary General, Mr Lamberto Zannier, and the Co-ordinator of
OSCE Economic and Environmental Activities, Dr Halil Yurdakul Yigitgüden. I would
especially like to thank Dr Yigitgüden and his able team for organizing this event.

We are also very grateful to our keynote speakers for today: Prof. Klaus Töpfer, who has held
several high-level positions in international environmental policy, including Executive
Director of the United Nations Environment Programme, and Dr Helge Wendenburg, who
currently serves as Director General for Water Management and Resource Conservation at
Germany’s Federal Ministry for the Environment, Nature Conservation, Building and
Nuclear Safety. Thank you both for coming here today and for setting the scene for our
discussions in the next two days.

Finally, I would like to warmly welcome all participants – representatives of the OSCE
participating States and the Partners for Co-operation, officials from ministries and agencies,
representatives of international, regional and non-governmental organizations, members of
academia and the business sector, and last but not least the economic and environmental
officers from the OSCE field operations.
Ladies and gentlemen,

Why did we choose “Good Governance” as our overall theme for the Economic and Environmental Forum cycle?

The answer is that good governance plays a critical role both for economic growth and for stability and security in the OSCE region, and it has major transboundary impacts. In a globalized world, in a globalized economy, there is a pressing need for joint answers to global challenges. Promoting good governance in all its manifestations – including by ensuring the rule of law, strengthening the accountability of the public sector and improving the quality of environmental legislation – is the right response to the global challenge of ensuring sound framework conditions for sustainable economic development. The OSCE, with its comprehensive approach to security, can contribute to these endeavours and serve as a valuable platform for dialogue.

In this year’s Economic and Environmental Forum, we want to build on already existing OSCE commitments on good governance – such as the 2003 Maastricht Strategy and the 2012 Dublin Declaration – and foster cooperation in this field. This First Preparatory Meeting will focus on good environmental governance as a means of enabling sustainable economic development. Today and tomorrow we will address various topics of environmental governance such as resource efficiency, environmental legislation, transparency and stakeholder participation. During the Second Preparatory Meeting, which will take place in Berlin on the 19th and 20th of May, we will discuss the importance of good governance for business interaction, better investment conditions and the fight against corruption as well as economic aspects of migration.

Ladies and gentlemen,

As we all know, we have only limited natural resources on our planet. In a globalized, interconnected world, we depend on each other in sharing these resources. Hence, we need to cooperate on using natural resources efficiently and tackling environmental challenges. Improving environmental governance, both nationally and internationally, is of crucial importance to making our economies more efficient, more resilient and more sustainable. The OSCE and its Second Dimension can contribute substantially to this important task.

Ladies and gentlemen,

The Economic and Environmental Dimension of the OSCE has an important role to play when it comes to renewing dialogue and rebuilding trust among participating States. We can – and we should – draw on its potential to a higher degree. Therefore, it is the intention of the German Chairmanship to strengthen the Second Dimension, and to make it more relevant. One important way to achieve this is by involving the private sector and by inviting more companies and business associations to the Economic and Environmental Forum and to our monthly sessions of the Economic and Environmental Committee.

The Business Conference on Economic Connectivity in the OSCE area, which the German Chairmanship is holding in Berlin on the 18th and 19th of May, is also aimed at the increased involvement of the private sector. The main objective of this business conference is to initiate a meaningful dialogue about framework conditions for economic activity in the OSCE area. We are convinced that enhancing connectivity and promoting greater economic interaction can contribute substantially to renewing dialogue and rebuilding trust among participating States.
In concluding, I would like to thank all of you in advance for actively participating in this year’s Forum cycle and for sharing your views and best practices. I look forward to a lively discussion and to the active involvement of all delegations.

Thank you very much for your attention.
Welcoming Remarks

Ambassador Lamberto Zannier, OSCE Secretary General

Excellencies,
Ladies and Gentlemen,

I warmly welcome you to this First Preparatory Meeting of the 24th OSCE Economic and Environmental Forum. Throughout the Forum process this year, we will discuss different aspects of good governance. This first meeting is dedicated to environmental governance – and there are good reasons for this.

We have already touched on this topic in previous Forum processes. For example, last year saw extensive discussion of water governance, and in 2014 we focused on disaster risk reduction. In both cases, sustainable management of natural resources and environmental governance were key considerations in identifying and applying structured responses and durable solutions.

We have come a long way since the 2003 Maastricht Strategy, which reaffirmed the OSCE’s commitment to sustainable development and the 2007 Madrid Ministerial Declaration on Environment and Security. Environmental governance has gained in prominence over time and clearly deserves more attention. Creating and sustaining an enabling environment for a vocal civil society, an informed and responsive public, and efficient institutions for sound management of the environment and natural resources will continue to be our priority in the OSCE.

Environmental good governance is an integral part of the 2030 Agenda for Sustainable Development adopted at the United Nations Sustainable Development Summit last September. We need to consider how the OSCE can best contribute to fostering sustainable development within this framework. Discussions today and tomorrow should help us to identify opportunities for further action. After all, sustainable development, which
depends on a careful balance among social, economic and environmental factors, is the best guarantee for ensuring peace and prosperity. To quote from the 2030 Agenda: “There can be no sustainable development without peace and no peace without sustainable development”.

Environmental good governance and sustainable development are central elements of the economic and environmental dimension of the OSCE’s comprehensive approach to security. The OSCE has been increasingly active in supporting its participating States in their efforts to strengthen environmental good governance through awareness-raising and the exchange of best practices, capacity-building and numerous projects in the field of environment and security.

Many of our activities take place in the framework of the Environment and Security Initiative – ENVSEC. I mention this not just because we are proud to be part of this longstanding and successful international partnership, but also because the OSCE holds the Chairmanship of this initiative this year. We will make every effort to demonstrate and reinforce the role of environmental co-operation in promoting sustainable development in our region. I am happy to see that most of our ENVSEC partners have joined us for this meeting.

Excellencies,
Ladies and Gentlemen,

The OSCE is an inclusive platform for dialogue with four decades of experience in bringing very different stakeholders together around one table. However, our links to the business community are not as strong or as close as they could and should be. [As we have heard from Ambassador Pohl] the German Chairmanship is setting out to change this through various initiatives to enhance OSCE interaction with the private sector. I fully support this approach, and I hope that it will lead to an increase in public-private partnerships to address issues on the OSCE agenda, particularly in the economic and environmental dimension. So I very pleased to a number of representatives of the private sector at this first preparatory meeting, which will highlight the importance of good environmental governance for a healthy business climate and sustainable development.

Over the course of this year the OSCE will seek to enhance our relationship with business and the private sector. The next preparatory meeting in Berlin will offer another good opportunity to do this.

Returning to the 2030 Agenda, one particular goal – no. 16 – speaks of peaceful and inclusive societies that feature effective, accountable and transparent institutions; responsive, participatory, and representative decision-making; the rule of law; and access to justice for all. Such societies are more likely to create a favourable environment for business to excel and to attract more and higher-quality investment, generating sustainable growth.

Environmental considerations need not be an obstacle to development. On the contrary, they can be a catalyst for innovation, entrepreneurship, productivity and job creation. This contributes to prosperity and thus helps us to achieve stable and peaceful societies. Certainly we cannot ignore the fact that some investments and business activities have a negative environmental impact. However, we have advanced instruments to help us assess the negative impact that economic activities might have on the environment and on communities, and to help us determine how to mitigate them. If existing frameworks and tools are appropriately applied, they can help to address the concerns and interests of all stakeholders, which in turn can help prevent tensions and conflicts.
The OSCE is actively supporting its participating States in this way, above all through our network of Aarhus Centres, which promote and facilitate public participation, access to information, and access to justice in environmental matters. Sixty Aarhus Centres in 14 OSCE participating States are playing an important role in strengthening civil society and its links with state authorities and the private sector at various levels.

So let’s now concentrate on today’s agenda, with an operational focus. I would like to thank our featured speakers and all participants for joining us here in Vienna. Your insights and practical suggestions will help us to advance our thinking on the role that the OSCE can realistically play to foster good environmental governance as a decisive factor in securing a sustainable, more peaceful future.

Thank you.
Opening Remarks

Dr. Halil Yurdakul Yigitguden

Co-ordinator of OSCE Economic and Environmental Activities

Excellencies,

Distinguished participants,

It is an honour to address this opening session of the First Preparatory Meeting of the 24th OSCE Economic and Environmental Forum. The theme of this year’s Forum is closely linked to sustainable development and is therefore of importance in the context of strengthening security and stability.

I am very delighted to welcome so many outstanding experts who joined us to share their in-depth knowledge and practical experience on different aspects of good environmental governance. Today, we have with us many government officials from the OSCE participating States and Partners for Co-operation, representatives of international organisations, NGOs, academia and the private sector.

In this context, let me underline that this meeting as well as the remaining meetings in this year’s Forum process place a special emphasis on the broad involvement of business in the active discussion. I find it very promising that already in this First Preparatory Meeting we have the private sector well represented amongst other stakeholders. As you can see from the agenda, every session has at least one speaker representing the private sector.

The OSCE provides a platform for dialogue designed to embrace a variety of actors and perspectives. Fully appreciating the German Chairmanship’s endeavour to further strengthen the OSCE engagement with the private sector, I see countless opportunities for business to contribute to sustainable development through commitment to seeking shared value and through commitments to environmental compliance and innovation. I also see a lot of benefits for business and investors in operating in a peaceful and stable environment. Let me extend a particularly warm welcome to you.

There is a growing recognition that many of the environmental challenges we face today are linked to governance aspects. Improving environmental actions and outcomes not only depends on legal frameworks and the capacities of the environmental authorities and sector ministries, but also largely on external factors that provide the enabling environment.
Within the Economic and Environmental Dimension, environmental governance has an important role. Over the years, we have built a strong record of projects supporting participating States in addressing different environmental challenges at national level as well as in a transboundary context. The vast majority of these projects also contribute to strengthening good environmental governance in one way or another. I would like to use this opportunity to briefly refer to some of the examples of our work in this area.

My Office has been closely co-operating with the OSCE field operations to step up efforts to facilitate good environmental governance. In this regard, I want to specifically emphasize the activities undertaken by 60 Aarhus Centers in 14 countries as well as at regional level. The Aarhus Centers serve as a platform for dialogue between civil society, government and business and promote principles of good environmental governance. They have been active in several areas, especially in the field of water governance, disaster risk reduction and climate change adaptation. In many cases, these activities also involve co-operation at regional level. For example, last year the Aarhus Centers of South-Eastern Europe signed a Joint Declaration for Co-operation that will bring their relationship to a new level.

Another area where the OSCE has for many years contributed to strengthening governance aspects is water governance. Water knows no borders and its quality and quantity depends on the interaction and co-ordination among different sectors. Together with UNECE, the OSCE has been involved in supporting the capacity of participating States in South-Eastern Europe, Eastern Europe, the South Caucasus and Central Asia to govern water resources well in a transboundary context. A lot of work to help strengthen water governance at national and local level has also been accomplished by our field operations or in co-operation with them.

Two other areas where we have also contributed to achieving good environmental governance are disaster risk reduction, including wildfire management and reduction of flood risks, as well as waste management.

Let me underline that most of these activities are taking place in the framework of the Environment and Security Initiative which the OSCE is chairing again this year. For over a decade now, ENVSEC has been a unique mechanism to create synergies among its partners and jointly address environmental challenges, inter alia, by supporting different aspects of environmental governance.

Excellencies,

Our agenda for the next two days will provide an opportunity for a comprehensive discussion of good environmental governance in different contexts, including its linkages to sustainable development and security. Allow me to add a few words on the specific sessions of this meeting:

Governing natural resources and the environment well is of fundamental importance for sustainable development and can effectively contribute to fostering stability and security. In the first session, we will discuss good environmental governance, economic development and competitiveness. We will look at it in the context of sustainable development and enhancing stability and security, and discuss its impact on the investment climate and competitiveness. This session will also share some examples of the best practices on environmental performance in the business sector.

Environmental legislation has an important role to play in creating an enabling environment for business. Better implementation not only helps to achieve the objectives for a cleaner and healthier environment but also to ensure a more level playing field and incentives for
sustainable growth. At the same time, implementation of environmental legislation, including multilateral environmental agreements, can pose a challenge in many countries in the OSCE region. The second session today will be dedicated to environmental legislation and its impact on business and investment. At this session we will also have an opportunity to discuss some of the best practices on environmental compliance.

Measures that strengthen such crucial governance aspects as transparency, access to information and public participation may be equally or even more important than specific environmental policies or projects in order to address environmental challenges effectively. The third session will give a chance to discuss these aspects of governance more in-depth.

Raw materials have enormous potential to create and support sustainable development in many of the countries. However, their poor management can have unfavourable social, environmental and public health impacts and may be a cause for corruption. In the fourth session, we will focus on this sector and look at how good environmental governance can be applicable in the context of the raw materials sector, including best practices of local community and private sector interaction.

Using limited natural resources in a sustainable manner while minimising impacts on the environment, makes it possible to create more with less and to deliver greater value with less input. Green technologies and innovation have an important role to play in this process. The fifth session will look at resource efficiency and green technologies as instruments for sustainable development. Some of the aspects of green economy and its relevance from both economic and security perspectives will also be elaborated.

Managing increasing waste streams is currently one of the biggest challenges for growing urban areas both in the OSCE region and beyond. Waste management is also an issue of global concern since the decay of organic material in solid waste contributes to global greenhouse gas emissions. The sixth session will enable a discussion of the role of sound waste management frameworks in the context of good environmental governance. It will be particularly enlightening to hear about best practices in addressing waste-related challenges from different parts of the OSCE region.

In concluding, I would like to welcome you all once again and I strongly encourage you to actively participate and contribute to our Forum’s deliberations. I am looking forward to fruitful discussions.

Thank you for your attention.
Annex III: KEYNOTE SPEECHES

Prof. Dr. Dr. Klaus Töpfer
former Executive Director of the UN Environment Programme (UNEP),
former German Federal Minister for the Environment, Nature Conservation and Nuclear Safety

Economic and Environmental Forum

Strengthening stability and security through co-operation on good governance

Prof. Dr. Klaus Töpfer

The magic triangular
Sustainable Development

Economic development

Environmental Integrity  Social Stability
Welfare, based on the destruction of the environment is by no means real welfare. It is at its best a short term alleviation of the tragedy. There will be no peace but there will be more poverty if the assault of nature continues.

“Wohlstand, aufgebaut auf der Zerstörung der Umwelt, ist kein wirklicher Wohlstand, bestenfalls eine kurzfristige Milderung der Tragödie. Es wird kaum Frieden, wohl aber noch mehr Armut geben, falls dieser Angriff auf die Natur anhält.”

Kofi Annan.

Externalizing of costs
- Burdening future generations
- Burdening other people in other regions
- Burdening nature

„Beggar my neighbour“

Development is the new name for peace

Willy Brandt
North-South Commission
The example of water:
Integrated water resources management

The example of energy:
Decarbonization of the economy
TO:
All Delegations of the OSCE Participating States
All Delegations of Partners for Cooperation

24th OSCE Economic and Environmental Forum 1st Preparatory Meeting
“Strengthening Stability and Security through Cooperation and Good Governance”

Keynote Speech

Dr. Helge Wendenburg, Director General, Directorate Water Management and resource Conservation, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany

Ambassador Pohl,
Ambassador Zannier,
Dr. Yiğitgüden,
Prof. Töpfer,
Ladies and Gentlemen,

In times like these, is there anything we all want more than to live in prosperity and security? People from developing and emerging countries also do not want just adequate food and the satisfaction of their basic material needs. They want the lifestyle that many people in the developed world have long taken for granted. But what does this lifestyle mean for our earth, for our children, grandchildren and great grandchildren?

Only a few decades ago the thoughtless exploitation of natural resources was a matter of course. Prosperity and a high standard of living, which is legitimately pursued by all people around the world, were only possible through the use of natural resources. Meanwhile, however, we also see the flipside of the coin: Our lifestyle puts far too heavy a burden on the great opportunities offered to us by our earth. Natural resources are not infinite. Fossil and mineral resources do not renew themselves within time periods that are on a human scale.

Our interventions in nature threaten biodiversity and decimate species to an unprecedented extent. Clean water, on which our lives are directly dependent, is becoming ever scarcer around the world. Progressive climate change will exacerbate these trends, leading to food shortages and causing more frequent and intense natural disasters.

And today about 20% of humanity uses around 80% of the raw materials that are extracted. Is that our idea of fairness? The environmental damage on the other hand disproportionately affects that 80% of humanity that is hardly involved in the use of these raw materials and thus the benefits they bring. These developments require us to take countermeasures. That is what
Germany's Federal Government is working to bring about, and I am counting on you, the OSCE and its participating countries, too.

In the past year, we have achieved breakthroughs in global sustainability policy that give cause for hope:

In September at the UN summit in New York, the international community adopted the transformation agenda for sustainable development ("Transforming our World"). The Sustainable Development Goals it contains provide us with a strong tailwind for the overdue change of course towards better and fairer living conditions and truly climate-friendly and environmentally sustainable development worldwide.

But this will not happen on its own: We must work together towards an ambitious implementation of these sustainability goals, both in industrialised countries and in developing countries, so that the fundamental shift towards sustainable lifestyles and economic practices is successful, and we do not put an ecological burden on the earth that it cannot bear.

As a global community, we need to have made a big change in direction in key areas by 2030:

- We have to end extreme poverty; we have to fight inequality and injustice. We must achieve sustainable modes of production and lifestyles and successfully combat climate change. The industrialised countries, and by that I mean Germany as well, cannot continue to just import raw materials, but must take responsibility for the consequences of the consumption of raw materials in the countries of origin. This includes, for example, supporting resource-rich developing countries in establishing and maintaining larger parts of the value chain in their country. This creates local jobs and thus the prospects that people need so urgently for their lives.

- It is very important that we act together against corruption wherever we encounter it. Let us stand up for good governance. Only in this way can the population share adequately in the proceeds from the resource wealth of their country and promote sustainable development domestically. Only then is there a chance that environmental legislation and standards will be correctly implemented.

Germany declared its candidacy for the Extractive Industries Transparency Initiative (EITI) at end of last year. Some of the countries participating here are already members and are therefore role models. I would like to encourage others to take this path, even if it is not easy. Where transparency is created jointly, trust is formed. This is true for civil society as well for government and the economy.

Ladies and gentlemen,
Above all, we must ensure that there are enough raw materials and other natural resources in the future for all mankind - and that will be more than 9 billion people by mid-century! - And we must still preserve our environment.

We cannot look on idly while the mistakes we industrialised countries made are repeated elsewhere, mistakes which could be avoided given our present knowledge, discoveries and innovative technologies. What we need now is resource efficiency, doing more with less. For every step in the use of raw materials - from mining through preparation, processing and consumption to disposal - is linked to specific kinds of environmental pollution: pollutants in soil, water and air, the degradation of ecosystems and the reduction of biodiversity.
But resource efficiency is not just an environmental issue: a key driver of increased resource efficiency is competition. Rising and volatile commodity prices, often exacerbated by speculation on the commodity markets, lead to rising costs for businesses and make planning for the future difficult. Using raw materials more efficiently means saving expensive resources, or in other words costs, and becoming more competitive.

This is why the G7 under the German presidency last year agreed to initiate ambitious resource efficiency measures and founded the G7 Alliance for Resource Efficiency at the summit in June. The G7 Alliance is intended to facilitate an exchange of experience, know-how and best practices in the area of resource efficiency. In the few months that have passed since the summit, several workshops on specific resource efficiency topics have been held, and three more are scheduled for the first half of 2016 alone. The great interest in these workshops is proof of the fact that we are moving in the right direction, not just nationally, but internationally as well.

And there is another reason why we should strive for more resource efficiency: the enormous amount of energy needed for raw material extraction and processing. According to the International Energy Agency, between 7 and 8 percent of global energy consumption is used for metal production and processing. The largest share of this is caused by extraction and refining, processing steps that are expected to gain in importance in future as ores with a lower metal content will have to be increasingly used to meet the high demand. But further processing is extremely energy-intensive as well. Around 50 percent of industrial CO2 emissions can be attributed to the production and processing of just five basic materials: steel, cement, paper, plastic and aluminium. Two tonnes of CO2 are emitted into the atmosphere for every tonne of steel produced.

Recycling, on the other hand, requires 55 to 98 percent less energy than production from ores, depending on the metal. So it is very obvious where we need to go. We must use recycled metals wherever possible and further step up recycling rates. Every possible material should be reused or recycled, not just metal. Every gram of primary raw material that we can save through resource efficiency and recycling helps us reduce our CO2 emissions and protect our climate!

This leads me to what was probably the most important environmental policy event of the past year: The Paris Climate Agreement that we adopted in December is a milestone in international climate policy and a beacon of hope for people around the world. It charts our course for the future: We must become greenhouse gas-neutral. This is an epochal project. It will require a comprehensive modernisation of our industry and society. To achieve this, we need measures that take effect quickly, but also long-term strategies. The policies we pursue in the next few years will determine our success or failure in the decades to come. Resource efficiency must be a part of the overall effort.

Ladies and Gentlemen,

The current situation shows us that we cannot just wait and see what happens. A security organisation like the OSCE should also address the risks of climate change. The many refugees coming to Europe are currently very much on our minds. These people are desperate. They are leaving their home countries to seek a better life elsewhere. To them, it does not make a difference whether they are fleeing from violent conflicts or from the impacts of climate change and environmental destruction. Their fate is the same. In both cases, they are deprived of any prospect of a decent life in their native countries. If we do not succeed in halting climate change, refugee flows will continue to grow, both internal migration from rural areas to the cities and transboundary migration.
towards the industrialised countries. Many countries are likely to be overwhelmed and unable to handle these developments.

This is why we need to work harder to improve the living conditions in the countries concerned, also in the context of adaptation to climate change. Measures include ensuring a sustainable water supply and agriculture and stepping up disaster response and coastal protection - this is the only way to tackle the roots of migration. For example, the German government has been supporting transboundary cooperation in the water sector in Asia for many years.

Ladies and Gentlemen,
We must do even more. We need to change our consumption patterns, making them more resource efficient and more sustainable overall. We need to get people on board and convince them, each and every one of them. The keys to this are awareness-raising, information, education and participation.
In Germany, a national resource efficiency programme, ProgRess, has been in place since 2012 and is being updated every four years. We will shortly present ProgRess II. A comprehensive public participation process was organised to draw up ProgRess II, and we were very impressed with people's motivation and the excellent ideas they had. Public participation processes offer a good opportunity to educate people and get them involved at an early stage. It is important to make it clear where and how people can have a say in the decision. This improves acceptance and helps people identify with the results achieved.

Ladies and Gentlemen,
It is up to us to lay the foundations that will allow all people, both those alive today and also the generations to come, to live the way we ourselves want to live: in peace, prosperity and security. Let's get to work!
Annex IV: Closing Remarks

TO:
All Delegations of the OSCE Participating States
All Delegations of Partners for Cooperation

Statement by
Ms. Christine Weil
Deputy Head of Mission,
Permanent Mission of Germany to the OSCE

Concluding Session
First Preparatory Meeting of the 24th OSCE Economic and Environmental Forum
“Strengthening stability and security through co-operation on good governance”
Vienna, 26 January 2016

Dr Yigitgüden,
Excellencies,
Ladies and gentlemen,

Let me start by thanking all those who have contributed to the success of the First Preparatory Meeting. I would especially like to thank the Co-ordinator for OSCE Economic and Environmental Activities, Dr Yigitgüden, and his able staff for convening and organizing the meeting.

Ladies and gentlemen,

During the past two days, we have seen and heard a broad range of informative presentations on different ways to strengthen good environmental governance. We have discussed highly relevant issues such as resource efficiency, environmental legislation, transparency and stakeholder participation, sustainability, and sound waste management. Through the in-depth discussions in all six thematic sessions, we have gained valuable insights into different aspects of good governance that are of common interest to all participating States. The last two days we have also highlighted the essential role that the OSCE plays as a platform for dialogue and exchange of best practices in this field.
But please allow me to now look ahead and give you an outline of the next steps. As you know, the decision of the Permanent Council from July 23rd 2015 mandates us to address three issues within this year’s Economic and Environmental Forum. The first one – “Good environmental governance to enable sustainable development” – is the topic which we have discussed over the last two days.
The next important event within the Forum cycle is the Second Preparatory Meeting which will take place on 19 and 20 May in Berlin. During this meeting, we want to focus on the other two subtopics, namely

- “Good governance as a basis for business interaction and good investment climate as well as for the fight against corruption, money-laundering and the financing of terrorism”
- “Good migration governance to support stable economic development in countries of origin, transit and destination”

The Second Preparatory Meeting in Berlin will be held back-to-back with a Chairmanship Conference on Economic Connectivity in the OSCE area. This business conference which will take place on 18 and 19 May will gather business leaders and high-level representatives from all participating States for a meaningful dialogue on framework conditions for business interaction in the OSCE area. The conference will be opened by the Chairperson-in-Office, Federal Minister for Foreign Affairs Frank-Walter Steinmeier, and has already attracted the interest of several CEOs of large companies active throughout the OSCE area.

The German Chairmanship is convinced that connectivity-related topics are highly relevant for all participating States. We want to talk about cross-cutting issues such as infrastructure, logistics, customs and border administration, and trade facilitation – issues that are of common interest and important drivers for deepening economic cooperation across borders. The Maastricht Strategy – our basic document for the second dimension – gives us a clear mandate for intensifying economic cooperation and developing a business-friendly environment. We want to build on these commitments and promote greater economic interaction, thus contributing to renewing dialogue and rebuilding trust.

The two events are intended to overlap, in order to allow participants of the Second Preparatory Meeting also to attend the main parts of the Business Conference. Reciprocally, we also want to involve the business representatives who participate in the Chairmanship Conference in our forum meetings. We think that this innovative approach can provide added value both for the Economic and Environmental Dimension of the OSCE and for the business sector. We are therefore counting on your support and look forward to high-level participation both from your capitals and from the Permanent Missions in Vienna. We do not intend to hold a Permanent Council in the week starting 16 May, so we hope that all OSCE Ambassadors will take this opportunity to come to Berlin and participate in both events.

Ladies and gentlemen,

The last two days have been an excellent starting point for pursuing our intention to strengthen and revitalize the Economic and Environmental Dimension of the OSCE. I would like to thank all delegations for their active involvement. The German Chairmanship is looking forward to working with you on the events to come and is counting on your continued support.

Thank you for your attention.
Dear Ambassadors,
Dear Participants,
Ladies and Gentlemen,

In concluding the First Preparatory Meeting of the 24th OSCE Economic and Environmental Forum on “Strengthening stability and security through co-operation on good governance”, please allow me to express my gratitude for all the outstanding presentations, the vivid examples, the constructive discussions, and all the ideas put forward over the last two days. This meeting once again showed the virtue of the OSCE as a unique platform to bring very different stakeholders together and connecting them in an active dialogue.

The theme of this year’s Forum proves to meet the joint interest of all 57 participating States of the Organization, by connecting foreign and security communities with the business community and international and non-governmental actors in our joint endeavor for sustainable development. This first meeting focused in particular on environmental good governance and its importance for sustainable development, a healthy investment climate and stability and peace.

Let me come back to the very beginning of our event and the thought-provoking keynote speech of Prof. Klaus Töpfer. He took us on a journey through the sometimes difficult relationship of economy and environment, starting in 1972. The perceived contradictions between both were overcome with the concept of sustainable development, which balances economic, environmental and social concerns and interests. I would like to recall two main messages that I consider particularly relevant for us:

First, Prof. Töpfer urged that we must find new and better ways to counter the externalization of costs that stem from the exploitation of natural resources, within societies but also among world regions. Shifting the burden of resource exploitation on others has always been a source of tensions and conflict, and we should aim to prevent this.

Second, he concluded that sustainable development is the new name for peace – a statement that fully reflects the OSCE approach as laid down in the Maastricht Strategy Document. In this respect, he saw the OSCE and its participating States in a strong and responsible position to signal that the recently adopted Sustainable Development Goals are reflected in real action.
Similar thoughts were raised by Mr. Wendenburg in his keynote statement, who pointed in particular to the risks of climate change and the crucial role of resource efficiency for a sustainable economy.

Let me now briefly summarize some insights from the individual sessions.

In the first session, we discussed the linkages between good environmental governance, economic development and competitiveness, and security. Speakers stressed that good environmental governance generates a more secure environment for all and contributes to a sustainable investment climate and competitiveness. It was also pointed out that achieving good environmental governance, investment and competitiveness requires stable regulatory framework, appropriate institutional architecture, new economic instruments, public-private partnerships and reinforced co-ordination and co-operation among the countries - an area where the OSCE could make a significant contribution. Another issue addressed was the involvement of the wide range of stakeholders, including civil society and businesses. Civil Society Organizations are important stakeholders that can promote local ownership of the transition process towards well-governed, sustainable and inclusive economies.

The second session focused on environmental legislation and its impact on business and investment. Good governance, the rule of law and multilateral approaches are important elements in the context of enabling a favourable investment climate and business environment. The presentations showed that environmental protection does not necessarily mean a threat to economic growth, but is indeed a business opportunity. We heard that there is a need to extend international environmental co-operation, including business activities in the area of addressing waste-related challenges and exchange of best practices in using green technologies.

In the third session, we heard various examples how transparency, access to information, and stakeholder participation can be successfully enhanced. The presentations showed that involving the public in environmental decision-making is a win-win situation for both the public as well as the decision-makers: on the one hand, democracy is ensured and citizens are empowered. On the other hand, the participation of the public in the political decision-making increases ownership and eases implementation. However, there is a need to promote and explain the benefit of participation also to the citizens and plan the overall participation process carefully. We also heard a practical example of the work of the Aarhus Centres in bringing different stakeholders together for the promotion of green economy which could be replicated. Among the suggestions to the OSCE were to contribute to key pan-European processes and to the implementation of existing international legislation.

This morning, we started with session four on good environmental governance in the raw materials sector. The speakers presented several good practices on sound, transparent and environmentally friendly management of mineral resources, which showed how it can contribute to prevent tensions and ensure benefit for the whole society. It became also clear that stakeholder awareness, participation and partnership are crucial for ensuring good environmental governance in the raw materials sector. Speakers proposed that the OSCE could help to expand national best practices on mining issues to regional approaches, based on international standards. Based on its current work, the OSCE could also enhance its activities on community awareness and participation.

Session five focused on resource efficiency and green technologies as instruments for sustainable development. The presentations showed that they not only contribute to sustainable development but also bring significant benefits for business and society; they can be considered a win-win approach. Resource efficiency is not only an environmental goal,
but rather a process that decreases economic costs and risks for companies and thus makes them more competitive. The speakers also pointed out that green technologies, innovations and resource efficiency are crucial for addressing climate change challenges and implementing the commitments under the Paris Agreement.

Finally, our last session was devoted to sound waste management frameworks in the context of good environmental governance. It reminded us that hazardous waste and chemicals have serious safety and security implications for the OSCE participating States at local, national and transboundary levels.

Environmentally sound management of waste and hazardous chemicals has multiple benefits for government, business, civil society and communities. We heard several good examples in this session. The OSCE has accumulated experience in supporting its participating States in this field, particularly through the ENVSEC Initiative. Such activities have the potential for expansion and replication.

Ladies and Gentlemen,

This brief overview included just the main suggestions and recommendations from the experts and the participants about the possible areas where the OSCE could provide its support and where it could increase its engagement in good environmental governance. It is our responsibility to closely consider all recommendations raised during the last two days and integrate them in the further discussions throughout the Forum process. Moreover, my Office, with the support of the participating States and the field operations, will build upon these suggestions to continue to promote environmental good governance through concrete project activities. We will in particular increase our efforts to strengthen the connections of Aarhus Centres with the private sector and their involvement in green economy, as was suggested by several speakers.

At the political level, as laid down in several Ministerial Council decisions, we will continue our efforts to promote dialogue and co-operation both among the participating States, as well as among non-governmental organizations, civil society, and the private sector on issues related to environmental good governance and its impacts on stability and security. The discussions at this first preparatory meeting in itself have been a step forward in contributing to the implementation of the Sustainable Development Goals by the OSCE States.

Thanks to the rapporteurs, a Consolidated Summary including the main key suggestions and recommendations made by participants during the deliberations will be compiled by my Office and made available to all of you within the next weeks.

Before passing the floor to Ms. Weil for the Chairmanship’s concluding remarks and outlook to the second preparatory meeting, I would like to thank the German Chairmanship, the Moderators, Speakers and Rapporteurs, the interpreters, the conference service staff, as well as the colleagues from my Office for their joint contribution to the success of this event. I also want to thank all of you, dear participants, for your active contribution, and to wish you a safe trip back home.
Annex V: Annotated Agenda

Organization for Security and Co-operation in Europe
The Secretariat

Vienna, 21 January 2016

24th OSCE Economic and Environmental Forum

“Strengthening stability and security through co-operation on good governance”

FIRST PREPARATORY MEETING

Vienna, 25 - 26 January 2016
OSCE Congress Centre, Hofburg, Heldenplatz, 1010 Vienna

DRAFT ANNOTATED AGENDA

Monday, 25 January 2016

09:30 – 11:00 Opening Session

Welcoming remarks
– Ambassador Eberhard Pohl, Chairperson of the OSCE Permanent Council, Permanent Representative of Germany to the OSCE, 2016 OSCE German Chairmanship
– Ambassador Lamberto Zannier, OSCE Secretary General
– Dr. Halil Yurdakul Yiğitgüden, Co-ordinator of OSCE Economic and Environmental Activities

Keynote speeches
– Prof. Dr. Dr. Klaus Töpfer, former Executive Director of the UN Environment Programme (UNEP), former German Federal Minister for the Environment, Nature Conservation and Nuclear Safety
– Dr. Helge Wendenburg, Director General, Water Management and Resource Conservation, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany

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

Statements by Delegations / Discussion
11:00 – 11:30 Coffee Break

11:30 – 13:00 Session I: Good environmental governance, economic development and competitiveness

Selected topics:

- Good environmental governance as a prerequisite for sustainable development and enhanced stability and security
- Impact of good environmental governance on investment climate and competitiveness
- Good environmental governance in supply chain management
- Exchange of best practices on environmental performance in the business sector

Moderator: Mr. Johannes Kaup, Journalist, Radio Ö1, ORF

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

Speakers:
- Ambassador Felipe de la Morena Casado, Ambassador at Large for International Environmental Affairs, Ministry of Foreign Affairs and Cooperation, Spain
- Ms. Nilza de Sena, MP, Vice-Chair of the OSCE Parliamentary Assembly’s Committee for Economic Affairs, Science, Technology and Environment
- Dr. Alistair Clark, Managing Director for Environment and Sustainability, EBRD
- Dr. Clemens Grabher, Managing Director, 11er Nahrungsmittel GmbH, Austria

13:00 – 14:30 Lunch hosted by the Co-ordinator of OSCE Economic and Environmental Activities

14:30 – 16:00 Session II: Environmental legislation and its impact on business and investment

Selected topics:

- The role of the national environmental regulatory framework for investment climate and competitiveness
- Multilateral environmental agreements as catalyst for an enabling business environment
- Exchange of best practices on environmental compliance

Moderator: Dr. Eric Frey, Managing Editor, Der Standard

Rapporteur: Ms. Brigitte Krech, Economic and Environmental Affairs Adviser, Office of the Co-ordinator of OSCE Economic and Environmental Activities
Speakers:
- **Mr. Ethan Shenkman**, Deputy General Counsel, Office of General Counsel, United States Environmental Protection Agency, USA
- **Mr. Nikolai Shvets**, Deputy Chairman, Federal Grid Company of Unified Energy Systems, Russian Federation
- **Dr. Dirk Buschle**, Deputy Director/Head of Legal Unit, Energy Community Secretariat
- **Mr. Nicholas Bonvoisin**, Acting Chief, Transboundary Cooperation Section, Environment Division, UNECE
- **Dr. Thomas Hruschka**, Director of Sustainable Development, Environmental Protection, City of Vienna, Austria

16:00 – 16:30  Coffee Break

16:30 – 18:00  **Session III: Transparency, access to information, and stakeholder participation**

Selected topics:
- Effective stakeholder participation mechanisms for environmentally sound investment and development projects and programmes
- Enhancing transparency in environmental decision-making at all levels
- Consultative processes in promoting resource efficiency and sustainable development
- Bridging local communities, local authorities and the private sector

**Moderator:** **Ms. Marta Bonifert**, Executive Director, Regional Environmental Center for Central and Eastern Europe

**Rapporteur:** **Ms. Dana Bogdan**, Project Assistant, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Speakers:
- **Ms. Nino Tandilashvili**, Head of Division of Relations with the Parliament and Legal Drafting, Department of Legal Affairs, Ministry of Environment, Georgia
- **Ms. Adriana Gheorghe**, Project Manager - Cooperation EU Neighbours and Central Asia, European Environment Agency
- **Ms. Maria Brückner**, Project Manager, Zebralog, Germany
- **Mr. Dmitry Prudtskikh**, Khujand Aarhus Centre, Tajikistan

18:30  Reception hosted by the 2016 OSCE German Chairmanship (Café Palmenhaus, Burggarten 1, 1010 Vienna)
Tuesday, 26 January 2016

09:30 – 11:00  Session IV: Good environmental governance in the raw materials sector

Selected topics:

- Management of mineral resources for sustainable development
- Initiatives for promoting transparency and good governance
- Best practices of local community and private sector interaction

Moderator: Ms. Désirée Schweitzer, Deputy Co-ordinator/Head of Environmental Activities, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Rapporteur: Ms. Olga Skorokhodova, Office of the Co-ordinator of OSCE Economic and Environmental Activities

Speakers:
- Ambassador Artur Lorkowski, Ambassador of Poland to Austria, former Deputy Director of the EU Economic Department, Ministry of Foreign Affairs, Poland
- Mr. Eero Yrjö-Koskinen, Chairman of the Finnish Network for Sustainable Mining
- Mr. Howard Mann, Senior Advisor to the Secretariat, Intergovernmental Forum on Mining Minerals and Metals
- Mr. Dorjdari Namkhajantsan, Manager, National Resource Governance Institute, Mongolia
- Mr. Kanybek Isabaev, Director, Aarhus Centre, Osh, Kyrgyzstan

11:00 – 11:30  Coffee Break

11:30 – 13:00  Session V: Resource efficiency and green technologies as instruments for sustainable development

Selected topics:

- Resource efficiency as a win-win strategy for business and society
- Greening the economy in the context of strengthening security and stability, and prosperity
- Importance of green technologies, innovations and resource efficiency for addressing climate change challenges
- Benefits of green economy for investment climate and development

Moderator: Mr. Jan Dusík, Director, UNEP Regional Office for Europe

Rapporteur: Ms. Jenniver Sehring, Environmental Affairs Adviser, Office of the Co-ordinator of OSCE Economic and Environmental Activities
Speakers:
- **Ms. Birgit Schwenk**, Head of Division, European and International Affairs of Resource Efficiency, Raw Materials Policy, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany
- **Mr. Christiaan Prins**, Head of European External Affairs, Unilever, Belgium
- **Dr. Bakhyt Yessekina**, Climate Change Adviser to the Minister of Energy, Director of the “Green Academy” Scientific Research and Education Centre, Kazakhstan
- **Mr. Krzysztof Michalak**, Senior Programme Manager, Environmental Directorate, OECD
- **Mr. Raffi V. Balian**, Director, US Regional Environmental, Science & Technology, and Health Hub for Central and Eastern Europe
- **Mr. Gökhan Yetkin**, CEO of Gonen Gubre Inc., Turkey

13:00 – 14:30
Lunch hosted by the Co-ordinator of OSCE Economic and Environmental Activities

14:30 – 16:00
**Session VI: Sound waste management frameworks in the context of good environmental governance**

**Selected topics:**
- Promoting environmentally sound management of waste at all levels
- Preventing illegal transboundary movement of waste
- Best practices in addressing waste-related challenges

**Moderator:** **Ms. Désirée Schweitzer**, Deputy Co-ordinator/Head of Environmental Activities, Office of the Co-ordinator of OSCE Economic and Environmental Activities

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

Speakers:
- **Ms. Olijana Ifti**, Deputy Minister of Environment, Albania
- **Dr. Andreas Jaron**, Head of Division, General, Principal and International Matters of Circular Economy, Transboundary Movement of Waste, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Germany
- **Ms. Tatiana Terekhova**, Programme Officer, Secretariat of the Basel, Rotterdam, and Stockholm Conventions
- **Mr. Georg Ketzler**, Member of the Executive Board and CFO, Saubermacher Dienstleistungs AG, Austria
- **Mr. Dmytro Skrylnikov**, Head of the NGO Bureau of Environmental Investigation, Ukraine
16:00 – 16:30 Coffee break

16:30 – 17:15 Concluding Session

Selected topics:
• Wrap-up of the discussions: lessons learned and priority areas for future discussion and increased co-operation
• Outlook to the 2nd Preparatory Meeting in Berlin

Speakers
– Dr. Halil Yurdakul Yiğitgüden, Co-ordinator of OSCE Economic and Environmental Activities
– Ms. Christine Weil, Deputy Head of Mission, Permanent Mission of Germany to the OSCE

Rapporteur: Mr. Bernhard Romstorfer, Desk Officer, Permanent Mission of Germany to the OSCE

Closing statements by Delegations