

REPORT

OSCE Parliamentary Assembly 2009 Fall Meetings

Athens, Greece

9-12 October 2009



*Energy Security and Environment***REPORT ON THE 2009 FALL
MEETINGS OF THE OSCE
PARLIAMENTARY ASSEMBLY****CONTENTS**

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Summary



Each year, the OSCE Parliamentary Assembly holds a set of Fall Meetings to enhance inter-parliamentary dialogue on important topics related to OSCE commitments and values. The Meetings include a Conference on a topical issue, a session of the Assembly's Standing Committee of Heads of Delegations and typically also a meeting of the Mediterranean Forum. Previous Fall Meetings have been held in Portoroz, Malta, Sveti-Stefan, Rhodes, Rome and Toronto.

Under the theme of *Energy Security and Environment*, almost 200 members from 50 countries of the OSCE Parliamentary Assembly met in Athens for the Fall Meetings 9 to 12 October.

"Long-term sustainability, energy security, and environmental solutions must be viewed hand-in-hand," said President Joao Soares (Portugal) in his conclusions of the Meetings. "Our responses cannot be successful if only enacted on a national level; they must be broad in their scope and approach."

Mr. Soares said that "the one resounding message that we can all take home is that strong political action is necessary. Taking action in the midst of an economic crisis is difficult, also politically. But we have no choice."

Speakers at the Fall Meetings included the President of the Hellenic Parliament, Dimitrios Sioufas; Deputy Foreign Minister Spyros Kouvelis; Head of the Greek Delegation to the OSCE PA, Panayotis Skandalakis; OSCE PA Vice-Presidents Petros Efthymiou and Kassym-Jomart Tokayev; and OSCE Secretary General Marc Perrin de Brichambaut. They also included several experts from Greece and Volodymyr Saprykin, Director of Energy

Programmes, Razumkov Centre for Economic and Political Studies in Ukraine, Goran Svilanovic, Co-ordinator of OSCE Economic and Environmental Activities; and Sergey Komlev, Director of Contract Structuring and Pricing at Gazprom Export, Russian Federation.

In three focused sessions, the Parliamentarians addressed Regional Co-operation in Energy Security; Climate and Environmental Policy – the Road to Copenhagen; and Optimal Utilization of Natural Resources for Human Security. The sessions were chaired, respectively, by Assembly Vice-Presidents Petros Efthymiou, Pia Christmas-Moeller and Wolfgang Grossruck.

The Meetings included a Mediterranean Forum, chaired by OSCE PA Vice-President Jerry Grafstein. The Assembly's Special Representative on Mediterranean Affairs, Alcee Hastings, reported to the Forum. The Assembly's Standing Committee also met and was briefed on the 2010 OSCE budget by Secretary General Marc Perrin de Brichambaut.

The OSCE Parliamentary Assembly organizes Fall Meetings annually. Non-OSCE countries from Algeria, Jordan, Egypt and Israel participated in the Athens conference.



Opening Session



Dimitrios Sioufas, President of the Hellenic Parliament, welcoming participants to the 2009 Fall Meetings

Opening remarks by Joao Soares, President of the OSCE Parliamentary Assembly

President Soares welcomed participants to Athens for the 2009 Fall Meetings, taking note that the election held in Greece a few days prior to the conference was another demonstration of democracy in action.

The President emphasized the importance of the topics that would be addressed during the conference, noting in particular that the OSCE includes some of the largest producers and the largest consumers of energy in the world. The Organization can therefore play a key leadership role within this field, he said. Energy security and environmental concerns are also integrally linked with peaceful relations among States, he noted.

Applauding the excellent work of the 2009 Greek OSCE Chairmanship-in-Office, he urged a continuation and deepening of dialogue on European security issues through what has been termed the 'Corfu process.' There remain numerous obstacles to security within the OSCE region, noted the President. Parliamentarians can have a positive effect in overcoming many of these challenges, and he urged increased efforts in this regard.

The OSCE has an excellent and comprehensive set of political commitments already in existence, and in preparing for the upcoming OSCE Ministerial meeting scheduled for December 2009, President Soares encouraged

the Greek Chairmanship to focus primarily on implementation of existing commitments, rather than striving for new decisions and documents.

Welcoming remarks by Dimitrios Sioufas, President of the Hellenic Parliament

The President of the Hellenic Parliament, Dimitrios Sioufas, expressed his gratitude to the Assembly, noting the privilege he felt at hosting the OSCE PA's Fall Meetings.

Mr. Sioufas discussed the long-term contribution that the CSCE and subsequently the OSCE has made to promoting peace and co-operation in the region. In this regard, he also highlighted the unique role that parliamentarians have; they are in the vanguard of developments, and work hand-in-hand with governments.

President Sioufas highlighted the interconnectedness of energy security and environment, and stressed that sustainable thinking is necessary for long-term well-being. Co-operation on environmental issues is not only a priority, but is now a necessity, he said. Parliamentarians have a key role to play in addressing these issues, and Mr. Sioufas outlined recent steps undertaken by the Hellenic Parliament. He encouraged an ambitious approach to reaching new global environmental policies in the coming months. In this regard, he noted that much work was needed not only to reach agreement for increased reductions of greenhouse gas emissions, but to raise awareness of the need for new

Opening Session



Panayotis Skandalakis, Head of the Hellenic Delegation to the OSCE PA



Deputy Minister of Foreign Affairs of Greece, Spyros Kouvelis

commitments. President Sioufas expressed his confidence that the OSCE PA meetings would contribute to efforts in reaching agreement.

Address by Spyros Kouvelis, Deputy Foreign Minister of Greece / Chairmanship-in-Office of the OSCE

Mr. Kouvelis welcomed the opportunity to give his first address as Deputy Foreign Minister, on behalf of the Greek OSCE Chairmanship, to the OSCE PA meetings. He gave a brief overview of the priorities as well as the challenges faced by the Chairmanship.

Mr. Kouvelis remarked that the August 2008 conflict between Georgia and Russia had put the post-Cold War system to a test. Following this outbreak of hostilities, the Greek Chairmanship has been working to improve strategic dialogue on European security issues. The 'Corfu process,' he said, is aimed at ensuring implementation of OSCE commitments. Mr. Kouvelis assured that the Chairmanship would continue working for a solution to the difficult situation in Georgia.

The OSCE has provided solutions, he noted, but more remains to be done. The Chairmanship is working to ensure that the OSCE continues as an effective forum for dialogue. Strengthening the rule of law in the OSCE area is also a clear priority. The Deputy Minister said that the Chairmanship was looking toward possible improvements in functioning, and expressed his confidence that an effective Ministerial Declara-

tion would be reached, laying the foundation for work by the incoming Kazakh Chairmanship of the OSCE. Finally, he noted that success relies on support from the OSCE PA, and encouraged Members to continue follow-up work in their home parliaments.

Welcoming remarks by Panayotis Skandalakis, Head of the Hellenic Delegation to the OSCE Parliamentary Assembly

Mr. Skandalakis welcomed all participants to the 2009 Fall Meetings, stressing that the topics of energy security and environment are highly relevant to the region. The impact of environmental change can already be felt, and more sustainable efforts are needed to counteract this.

Making reference to some of the consequences of climate change, Mr. Skandalakis noted that scarcity of food and clean water, as well as rising sea levels are not only environmental concerns; they all have a major impact on overall stability. As an example, he noted recent efforts by the parliament of the Maldives to highlight the severe consequences that rising water levels are having on their populations. Energy also plays an important role in finding long-lasting solutions to these issues.

Mr. Skandalakis noted that the OSCE PA has a crucial role to play in bringing long-term solutions to the problems of energy security and environment. He encouraged a broad approach by Members, noting that all possible solutions

Opening Session



should be fully investigated in the interests of securing sustainable development.

Welcoming remarks by Petros Efthymiou, Vice-President of the OSCE Parliamentary Assembly

Vice-President Efthymiou said that he saw this conference as a timely opportunity, coming before the climate conference in Copenhagen in December 2009. He noted that climate change is creating new political realities and having a dramatic social impact, all of which must be addressed. Wide-reaching changes will be needed by all if we are to continue with a life worth living, he said. As an example, Mr. Efthymiou noted the need for reductions of at least 50 per cent in greenhouse gas emissions.

Highlighting the importance of unified action on environmental concerns, Vice-President Efthymiou noted that the world had quickly united in the fight against terrorism, but not nearly to the same degree in the equally important fight against climate change. In this regard, he urged focusing on prevention as a more effective and cost-effective approach – this is relevant for both environmental and traditional security concerns. Mr. Efthymiou stressed that the world could no longer claim ignorance in the fight against climate change.

Finally, Mr. Efthymiou called upon Members to continue the work of the Assembly in addressing these concerns when they return to their home parliaments. There is a political cost to reaching the far-reaching agreements that are needed, but he stressed that there are no longer any real options: the political commitment must be found.





Session I: Regional Co-operation in Energy Security



Opening the Conference's first session entitled "Regional Cooperation in Energy Security," Assembly Vice-President Petros Efthymiou reaffirmed great importance of this topic for Eurasia and the OSCE area in general. He stated that world leaders are calling for energy security in the form of interdependence, which will make countries and other entities less inclined to demand higher prices and influence supply in the often manipulated energy markets.

"The capacity of oil is able of causing severe disruptions in countries' economies, indirectly influencing other industries," said Mr. Efthymiou, reminding that participating States should all share the burden and rely on one another.

Referring to leading media's critical description of the European energy security efforts as "tragedy and farce," Mr. Efthymiou welcomed presence of experts and representatives from Russia and Ukraine and emphasized Assembly's paramount importance in the energy security debate.

"The Parliamentary Assembly provides an excellent framework to discuss this issue among us, representatives from most of the participating States," Mr. Efthymiou said.

**Volodymyr Saprykin,
Director of Energy Programmes of
the Razumkov Centre for Economic
and Political Studies of Ukraine**

Dr. Saprykin focused in his presentation on the "energy security triangle" consisting of Russia as a producer, Ukraine as a transit country and EU countries as consumers. He pointed

out that, while all three parties are interested in ensuring energy security in the form of increasing safety and reliability of the technical systems and decreasing political factor, they also try to secure their own, often controversial objectives.

Referring to the impact of the economic crisis and EU plans to decrease the consumption of energy by 20 per cent by 2020, Dr. Saprykin expressed doubts about Europe's demand for additional 270 billion cubic meters of gas to be transferred through the planned pipelines in addition to those already existing. He briefly touched upon Nabucco and South Stream as the main suggested solutions for diversifying Europe's energy supply. Among the challenges facing the Nabucco project he mentioned political, technological and legal complexities in securing gas supply such as Iran's nuclear program, the undefined legal status of Caspian Sea, the lack of agreement with Turkmenistan, and relevant ecological expertise.

The South Stream project is, in the Razumkov Centre's opinion, the most controversial, primarily due to the absence of a final route and relevant technological documentation, as well as its questionable commercial feasibility. Taking into consideration expensive construction of the underwater routes as well as the fact that South Stream is supposed to take the gas off the already existing transit direction, Dr. Saprykin pointed out that utilization of the current Ukrainian route is more reasonable from an economic point of view. Mentioning that Nabucco and South Stream are targeting the same customers, he called for revision of the new route plans on the level of gas companies,

Session I: Regional Co-operation in Energy Security



Simos Simopoulos



Sergei Komlev

States, and within the EU.

Dr. Saprykin also pointed to the controversy around energy security within the European Union. He stated that, while EU authorities are calling for decreasing Europe's dependence on Russian gas, each Member State considers diversification projects through the prism of its own interests. Because of the absence of a secure supply base for Nabucco, by supporting other projects, major energy companies steer Europe into even a higher dependence on the single gas supplier, thus downscaling the EU diversification attempts.

Noting a monopolistic dependence of Ukraine on the Russian gas, oil and nuclear power, Dr. Saprykin criticized the absence of the ship-or-pay principle in the Russian-Ukrainian gas transit arrangements and called, among other things, for legislative reform and liberalization of the Ukrainian gas market.

Dr. Saprykin concluded his speech by expressing confidence that the three parties of the "EU-Ukraine-Russia" triangle will find a way to an authentic partnership, which will prevent future gas wars.



Volodymyr Saprykin



Giorgos Salagoudis

Sergei Komlev, Head of the Contract Structuring and Price Formation Directorate of the Gazprom Export Company

Sergei Komlev spoke of how wider application of natural gas could facilitate solutions to energy policy aims for European countries. He expressed concern that in aiming to decrease carbon emissions by 385 million tonnes, EU plans for maximal displacement of the natural



Gordana Comic

Session I: Regional Co-operation in Energy Security



gas from Europe's energy mix. He called this approach incompatible with both energy security aims and cost-effectiveness.

Mr. Komlev stated that natural gas is the cleanest fossil fuel and is highly competitive in terms of costs with nuclear and renewable energy sources: "Cost savings which could be captured from adopting gas-based solutions are huge but they're offset by incentives currently being offered to other solutions." Noting that Gazprom is not against renewable energy, he emphasized that it is business and market-based mechanisms, such as carbon trade, that should decide what should be the clean fuel mix.

In the second part of his presentation Mr. Komlev focused on the "obstacles that impede a broader use of natural gas in Europe" and related them to three main fears, or "phobias," that exist around Gazprom.

In response to the first phobia about Gazprom as an executor of the Russian government's political goals, he stated that Gazprom is a pure business organization with clear business goals, noting that the Russian government would not be willing to jeopardize the entity, the tax receipts of which provide 20 per cent of the Russian budget. Rebutting the second phobia about distorting competition in the European gas market, Mr. Komlev stated that Russia provides only 25 per cent of the EU gas supply, and thus Gazprom's presence on the European market only benefits the European consumer by strengthening the competition. In turn, he criticized Western governments for imposing political pressure on business activities, especially after the August 2008 conflict in Georgia. In response to the third phobia about Russia as an unreliable supplier, Mr. Komlev criticized Ukraine's behavior during the 2006 and 2009 gas crises, based on the country's unwillingness to transfer to market-based gas prices.

In conclusion, Mr. Komlev stated that the "phobias" against Gazprom in particular and natural gas in general "lead to inadequate energy policy decisions which end up in drafting the most costly and inefficient action plans." He called for a closer interlink between Europe and Russia "as a means of strengthening the economy of each and standards of living for all."



Elsa Papadimitriou, Vice-President
of the Hellenic Parliament



Bahar A. Muradova, Head of
Delegation of Azerbaijan



Session II: Climate and Environmental Policy

The Road To Copenhagen



Session II on “Climate and Environmental Policy – The Road to Copenhagen” was chaired by OSCE PA Vice-President Pia Christmas-Moeller (Denmark), who emphasized the importance of the United Nations Climate Change Conference in Copenhagen in December.

Ms. Christmas-Moeller encouraged Members to push for an ambitious Copenhagen agreement in their home parliaments, saying that parliamentarians have a special responsibility.

“We are all elected to take leadership on behalf of our peoples/nations: Let us live up to our responsibility. Let us meet the challenge to mankind of our time with the needed answer. Let us have the ambitions and the necessary courage in order to do what is required on behalf of the next generations. Our peoples expect this of us,” she said.

Ms. Christmas-Moeller also underlined that the Copenhagen conference is the deadline for acting on the urgent problem of climate change, and that the price for not reaching an agreement in Copenhagen is so big that no country can afford it.

Benjamin Cardin, OSCE PA Vice-President and Chair of the U.S. Helsinki Commission

In his presentation, Senator Cardin (United States), highlighted the security-related effects of climate change, particularly underlining that more frequent drought leading to crop failures, can cause food scarcity and conflict in places where people already struggle to cope.

He also touched upon the extra challenges that world leaders are currently facing due to

the economic crisis. In this respect, he said that “what people forget is reviving our global economy is inextricably linked to re-thinking how we solve our energy challenges. ... The good news is that in solving our challenge of energy security, we can also grow our economy and clean our environment.”

Mr. Cardin also gave an overview of recent action taken by the U.S. Senate. Of particular importance are measures intended to secure new domestic sources of clean energy and promote investment in a transportation infrastructure less dependent on foreign fuels, as well as encourage the use of renewable energy sources.

Regarding the UN Climate Change Conference, Senator Cardin said that everyone needs to acknowledge the urgency of action now to reverse climate change. “Let me be clear,” he said, “I intend to press for the U.S. to be a leader in reducing greenhouse gas emissions and to be a leader at Copenhagen for the strongest possible results.”

He also proposed to include an enforcement mechanism in the Copenhagen Agreement that will hold each State responsible for their reductions and impose an assessment on imports as a possible sanction for those countries who do not live up to their commitments.

Dimitris Varvargios, former Vice- Chairman of the Special Permanent Committee on Environmental Protection of the Hellenic Parliament

Mr. Varvargios said in his address that to deal with climate change, strong international action is urgently needed.

“We act and live in an ecosystem which has

Session II: Climate and Environmental Policy

The Road To Copenhagen



Dimitris Varvargios



Pia Christmas-Moeller

certain limitations, with, in fact, exhaustible resources,” he explained. “The environment and its management is not just a technical problem, but a political and strategic matter with consequences for security and stability at regional and international levels.”

He emphasized that climate change is the major threat to mankind today; global warming is now a fact and it cannot be dealt with by the ecosystem. Therefore political leaders must take action immediately.

Mr. Varvargios referred to the World Scientific Committee recommendation to reduce greenhouse gas emissions by at least 50 per cent by 2050, compared with 1990 levels in order to stabilize the situation. He highlighted the devastating consequences of the changes that have already occurred, such as disturbance in water levels and drought, and warned that soon the world will see ecological refugees from certain parts of the world, as well as a reduction of biodiversity and destruction of land.

He expressed optimism that the countries with the greatest emissions realize the importance of reaching an agreement in Copenhagen, and said that the time is now to move on from general declarations to concrete commitments and a clear timetable. He also emphasized that the participation and contribution of the developing world is essential for the Climate Conference to succeed.

Cutting carbon emissions is not a hindrance to economic growth, Mr. Varvargios maintained, although support and assistance from the developed world is necessary as a starting point. He argued that if the issue of funding is solved, a viable agreement can be reached in Copenhagen.

“The problem is well known, the scientific facts are there and the means to deal with this is political will,” he said, adding that the Copenhagen Conference will be the ultimate test for the world’s political leaders.

Discussion

In the ensuing debate, Members repeatedly emphasized the importance of the UN Climate Change Conference, discussing in particular the burden of distribution between developed countries and the developing world.

Several Members pointed out that while the developed world must take the lead, developing countries should seek to develop environmentally friendly technologies. They called for a change of behaviour and values all over the world.

In general, Members expressed their political commitment to supporting and pushing for an agreement in Copenhagen with their executives at home. Their goal, many said, was to have concrete reduction goals in a Copenhagen Agreement.

Members also debated the possibility of setting up mechanisms, making the limits binding with clear sanctions in case of over-emission and a calendar for implementation. Several Members said that time is an issue and that the price for solving the climate change issue will only increase the longer the international community waits.

Members also discussed alternative energy sources and the aspects of utilizing more bio-fuels, as well as specific regional issues, such as the Aral Sea and the situation in the Arctic and Mediterranean regions.

Session III: Optimal Utilization of Natural Resources for Human Security



Opening the third Session of the conference, Vice-President Wolfgang Grossruck focused on the “Optimal Utilization of Natural Resources for Human Security.” Stressing the importance of the topic, he encouraged Members to highlight the human perspective of concerns and solutions to environmental problems.

Kassym-Jomart Tokayev, Chairman of the Senate of the Republic of Kazakhstan, Vice-President of the OSCE Parliamentary Assembly

Vice-President Tokayev reminded Members of the dangers of neglecting lessons from the past. Underlining the importance of a comprehensive approach on energy, he encouraged taking into account actions by producers as well as transport countries and consumers. He discussed efforts by Kazakhstan to focus on development of renewable energy sources, and mentioned that nuclear energy should be considered an option.

Mr. Tokayev also discussed the importance of water as a key resource that must be preserved. He encouraged the review and development of a legal framework for distribution of water and noted the particular difficulties in Central Asia.

In an effort to address some of the problems related to water management, Vice-President Tokayev mentioned Kazakhstan’s willingness to host a research unit. As to the specific problems of the Aral Sea, Mr. Tokayev noted that progress had been made but that more work was needed.

Kazakhstan has ratified the Kyoto Protocol

and hopes to reach agreement on further steps in Copenhagen in December 2010. Kazakhstan, Mr. Tokayev said, was working on a strategic dialogue with the European Union on oil and gas issues and it also has constructive relations with Russia and China.

Finally, he noted that Kazakhstan is privileged to serve as the incoming OSCE Chair-in-Office.

Goran Svilanovic, Co-ordinator of OSCE Economic and Environmental Activities

Mr. Svilanovic expressed his full support for recommendations adopted by the OSCE PA in the Vilnius Declaration, noting that a rational use of energy was critical. Until relatively recently, he said, the possible depletion of resources was not taken seriously, but now that it appears that oil production will peak within 35 to 40 years, it is generally understood that fossil fuels will only be a real option for a limited time period.

Co-operation for sustainable use of resources is absolutely vital, Mr. Svilanovic said, while noting that overcoming environmental problems can often be an early bond bringing together parties following a conflict, referring in particular to the experience in the former Yugoslavia.

The Co-ordinator also discussed the importance of work on quantifying the actual impact of climate change in various fields, such as access to food.

Finally, Mr. Svilanovic underlined the importance of the work by the Parliamentary Assembly, noting that it can strongly support other work conducted by the OSCE.

Session III: Optimal Utilization of Natural Resources for Human Security

Theodoros Pangalos, Vice-President of the Government of Greece, Chairman of the Political Committee of the European Security and Defense Assembly

Mr. Pangalos discussed the various levels at which environmental efforts take place, noting that even though a political transition was underway in Greece, work was continuing unhindered. He further discussed the increasing influence of decision-making bodies in Brussels in the fields of agricultural policy, water resources and energy for all European Union member states.

Mr. Pangalos also considered that some fields must be addressed on a larger international level, including nuclear disarmament, and global health pandemics. Similarly, dealing with climate change requires international co-operation since emissions do not remain within national borders.

He said that many resources are exhaustible and must be well managed. Therefore, the Greek government is prioritising a 'green' agenda, including efforts to manage and thereby save energy and water resources.

Finally, Mr. Pangalos reminded participants that in the interests of sustainable living, the State can and should play a role in people's lives to discourage overly wasteful habits.

Charalambos Tsoutrelis, former Professor of Mining Engineering, President of the Board of Directors of the Institute of Geology and Mineral Exploitation

Mr. Tsoutrelis focused his presentation on groundwater resources, particularly in Greece. Noting that while there had once been abundant groundwater resources, he said that there was now a need to focus efforts to avoid further polluting remaining deposits. He discussed a number of ways in which work could be improved to avoid wasteful usage of water, including in particular control of irrigation. This, Mr. Tsoutrelis noted, could avoid considerable loss.



Theodoros Pangalos

Outlining the work that had been conducted to register aquifers, which enabled their closer study, Mr. Tsoutrelis noted that many of those being monitored were now considered to be "at risk." Both pollution and increasing salination pose dangers to such ground water resources, and Mr. Tsoutrelis said that if measures are not taken within the next 10 to 15 years the impact could be irreversible.

Discussion

In the ensuing discussion, Members particularly stressed the need for increased political commitment to dealing with the critical environmental issues raised by the speakers. In particular, further support for international institutions dealing with the problems is required, it was said. Concerns regarding nuclear testing and nuclear energy production were raised, as were problems regarding the possibilities for corruption in natural resource industries. The impact of energy problems and environmental concerns on marginal populations was also addressed.

Members considered various energy production options, including oil sands production, and discussed the use of technology to limit the impact of energy production. Cross-border co-operation in production and transport of energy and natural resources was discussed by some Members. Participants also referred to the importance of efforts by all organizations and individuals to limit their waste and environmental impact.

Standing Committee



The Standing Committee consists of the 56 Heads of National Delegations and Members of the Bureau. Meeting three times a year -- at the Winter Meeting, the Fall Meetings and the Annual Session -- the Standing Committee guides the work of the Assembly, approves its budget, and appoints the Secretary General.

President Soares welcomed participants and gave a brief overview of activities since the Annual Session, noting that the weekly newsletter *News from Copenhagen* is an excellent way to follow Assembly activities.

The President informed Members about his upcoming plans, including contacts with the upcoming 2010 Chairmanship and with other inter-parliamentary assemblies. He also informed Members that he would personally lead the Assembly's observation of the January 2010 election in Ukraine.

Roberto Battelli delivered his first report to the Standing Committee since being elected Treasurer in July. He reported that the PA continues to remain within the approved budget – for the 17th year in a row. The Treasurer also reported on a working visit that he had paid to Assembly headquarters in Copenhagen, during which time he met with the Assembly's auditor. He offered particular gratitude to Secretary General Spencer Oliver for ensuring that the Assembly “continues to work in an efficient and cost-effective manner.”

Mr. Oliver reported on the work of the Secretariat in supporting Assembly Members and thanked the Danish parliament for their support to the Secretariat. The Secretary General gave special recognition to long-serving Assembly Members Hans Raidel and Jerry Grafstein, who are soon leaving the Assembly.

Mr. Oliver also informed the Standing Committee of an audit of the Secretariat's books that had just been completed, reporting that the external auditor found no problems.

Discussing election observation activities, Morten Hoglund reported on the Assembly's observation of the presidential election in Kyrgyzstan. He said that the election failed to meet key OSCE commitments, despite some positive elements, and also noted the good co-operation

with the OSCE/ODIHR.

Vice-President Petros Efthymiou reported on the elections in Moldova, noting that many commitments were met but that further improvements are needed. He also discussed difficulties in co-operation with the delegation from the European Parliament during this mission. Vice-President Wolfgang Grossruck informed Members about a follow-up visit he had conducted to Albania, following the June elections.

The newly appointed Chair of the ad hoc Parliamentary Team on Moldova, Walburga Habsburg Douglas, reported on the Team's planned activities. Goran Lennmarker, Special Representative on Nagorno Karabakh, reported on the potential for improvements on this issue and discussed the importance of the return of refugees and IDPs following the 2008 war in Georgia. The Special Representative for Central Asia, Kimmo Kiljunen, discussed his ongoing work to activate delegations from this region and to encourage regional co-operation.

Roberto Battelli, Special Representative on South East Europe, discussed his planned activities. The Special Representative on Mediterranean Affairs, Alcee Hastings, reported on a seminar he had hosted in Washington in July about the Mediterranean dimension. The Special Representative on Gender Issues, Tone Tingsgaard, updated Members on the gender balance in the OSCE, and reported on her participation in OSCE activities. The importance of reappointing a Special Representative on Migration, to ensure continued work in this area was also underlined.

The OSCE Secretary General, Marc Perrin de Brichambaut, gave Members an overview of the OSCE draft budget, noting that between the financial crisis and the requirement of zero nominal growth, there was little room for manoeuvre. He expressed his hope for a timely adoption of the proposed budget.

Mediterranean Forum



Opening remarks by Alcee L. Hastings, Special Representative on Mediterranean Affairs

Congressman Alcee Hastings (United States) opened the Forum on the Mediterranean by stressing the importance of the region for the OSCE. He thanked the speakers of the opening session for sharing their thoughts on the prospects and challenges facing the OSCE Mediterranean Dimension.

Mr. Hastings, who serves as Special Representative on Mediterranean Affairs and as Co-Chair of the U.S. Helsinki Commission, reported on the “CSCE Seminar on OSCE Mediterranean Partner Engagement” held in July 2009 in Washington. The core of these seminar discussions, he reported, centered on enhancing the engagement mechanism of the OSCE Mediterranean Dimension and renewing the foundation upon which the partnership is based.

Congressman Hastings highlighted four key elements arguing in favor of such a renewal. First, he said, there is a certain fatigue with the multiplicity of frameworks and dialogues related to the Mediterranean. Second, he cited the need for more ownership of the process by the Mediterranean Partner States. Third, the goal of focusing the OSCE Partnership Fund on exchange programmes for diplomats and civil service from Mediterranean Partners must be met. And, finally, he discussed the need to put greater emphasis on the role that the Mediterranean Dimension could play in the Middle East peace process.



Address by Joao Soares, President of the OSCE Parliamentary Assembly

President Soares praised the efforts demonstrated by Special Representative Hastings in organizing the July Washington seminar, and welcomed the involvement of parliamentarians from Partner Countries, including in election observation activities of the OSCE PA.

Mr. Soares said he would continue to promote dialogue with other inter-parliamentary assemblies dealing with Mediterranean issues and underlined the added value of the OSCE PA in the Mediterranean Dimension.

Address by Elsa Papadimitriou, Vice-President of the Hellenic Parliament

Ms. Papadimitriou welcomed the participants and spoke of the efforts made by the Inter-Parliamentary Union (IPU) in the Mediterranean area over the years.

The IPU process eventually led to the creation of the Parliamentary Assembly of the Mediterranean, whose inaugural session took place in Amman, Jordan, on 10 and 11 September 2006.

Aware of the challenges facing the region and especially the Israeli-Palestinian difficulties, Ms. Papadimitriou called for a two-state solution to the conflict. She highlighted the role of inter-parliamentary assemblies in generating solutions, for example through soft issues such as economic and environmental co-operation aiming towards a more prosperous Mediterranean Dimension.

Mediterranean Forum



Address by Professor Sotiris Roussos, OSCE Chair-in-Office Personal Representative for the Mediterranean Partners for Co-operation

Sotiris Roussos presented encouraging development indicators from the South Mediterranean countries, such as a decrease in extreme poverty levels over the last five years, an extended life expectancy, and improved access to education, electricity and water resources. At the same time, however, unemployment remains a serious problem that can only be tackled through stimulating trade and the economy.

Professor Roussos explained why Europe has a share of responsibility in the lack of economic development in the southern and southeastern Mediterranean basin. Indeed, the flux of development towards this region has been by far lower than the investments made in many other regions of the world, including Eastern Europe or even South America.

In conclusion, he called for three elements to ensure the future of the Partnership: flexibility in the areas chosen for activities, visibility of the process, and realization of tangible results.

Keynote address by Marc Perrin de Brichambaut, Secretary General of the OSCE

Mr. de Brichambaut briefed Members of the Assembly on recent developments of the OSCE Mediterranean dimension. He outlined the historic engagement behind the Mediterranean Partnership and the constant interest of the



OSCE participating States which led to concrete results.

The OSCE Secretary General explored ways to reinforce the Mediterranean dialogue through an enhanced parliamentary dimension and by reforming the working methods of the Contact Group in Vienna.

Finally, Mr. de Brichambaut explained that with the Palestinian National Authority officially asking to join and the participation by Lebanon, Libya, Syria and Iraq a balance had to be found between deepening and enlarging the Partnership.

Discussion

Participants particularly focused their comments on the need for alternative modern and steady form of energy supply for Mediterranean countries. Other general issues of concern in the region were also raised, including the importance of the rule of law in the Mediterranean region, the Division of Cyprus, the Israeli-Palestinian conflict and the stabilizing role of the Union for the Mediterranean.

Several speakers highlighted their interest in involving the Palestinian National Authority in the OSCE Mediterranean activities.

Session on Trade and Economic Co-operation in the Mediterranean

The session on trade and economic co-operation was chaired by OSCE PA Vice-President Jerry Grafstein (Canada), who opened the session with some remarks on the importance of economic co-operation in relation

Mediterranean Forum



Marc Perrin de Brichambaut,
OSCE Secretary General

peace and stability in the Mediterranean and the Middle East.

He underlined that peace and stability in the Middle East depend on the success of the political and economic track, pointing out that 65 per cent of the population in the Mediterranean region is made of young people who seek jobs. The creation of jobs, in Senator Grafstein's view, is the key to foster peace in the Middle East.

**Miltiadis Makriyannis,
Head of the Department for
European Regional Co-operation
& Partnerships of the Hellenic
Parliament**

In his statement, Dr. Makriyannis discussed how the Mediterranean area, with an ever increasing population, requires politics and economics to work together to find answers in terms of job creation.

Underlining that this region is one of the most important maritime routes, Dr. Makriyannis expressed his concern about the signs in the region of a deterioration of its maritime transportation.

He said that Greece has excellent economic relations with the neighboring countries in the Mediterranean and its strategic geographical position makes it a crossroad for investments. He highlighted the importance of creating joint ventures of Small and Medium Enterprises (SMEs) in the region in the sectors of agriculture, energy, shipbuilding, and tourism.

In conclusion, Dr. Makriyannis said that the

future of the region also depends on a greater role that the private sector must play. Here, SMEs need support to be able to face competition in the markets by innovation of their products in order to be able to penetrate new markets.

**Yiannis Stournaras,
Professor of Economics, University
of Athens, Research Director of
the Foundation for Economic and
Industrial Research (IOBE)**

Mr. Stournaras gave an overview of the benefits that free trade has historically brought throughout Europe. Those benefits extend to other sectors, in particular industry. While globalization has brought advantages in the region, it has also had a counter effect of deep-seated opposition to globalization.

In his presentation, Mr. Stournaras noted that there are great prospects of co-operation and economic growth in the Mediterranean, considering that one-third of the global trade, one-quarter of the oil reserves of the world and the highest concentration of historical sites are located along the coast lines of this region. He pointed to the importance of enhancing co-operation in the area of technology, transport, culture, and energy by introducing and implementing necessary reforms to support economic growth. This reform effort also needs to be focused on the respect for human rights.

Discussion

During the debate, many delegations underlined the direct relationship between economics and politics and in particular between economic development and security for the Mediterranean region. It was noted by a number of delegations that security cannot be detached from the respect of human rights, and that in order to reach sustainable security, an effort has to be made in addressing the social inequalities in many societies of the region. Much emphasis was also placed on Middle East security concerns and the need to solve the Palestinian-Israeli conflict to create the necessary conditions for stability and peace.

President's Conclusions



OSCE PA President Joao Soares

“By addressing energy security and environmental issues together in this high-level parliamentary forum at our Fall Meetings in Athens, we have demonstrated our commitment to squarely addressing concerns in these interconnected fields. Long-term sustainability, energy security, and environmental solutions must be viewed hand-in-hand.

The OSCE, which includes some of the world's largest producers and consumers of energy, as well as critical transit countries, can play a strong role in working for energy security.

We are interdependent when it comes to energy, and we must continue dialogue and the search for improved solutions to avoid the manipulation of energy markets, which we have seen.

Speculators cannot be allowed to have the same disastrous impact on our energy markets as they recently had on our financial markets.

In recent days, with contributions from high-level experts, and thorough debate by parliamentarians from across North America, Europe and Central Asia, we have considered challenges and solutions at the pan-OSCE level. Our responses cannot be successful if only enacted on a national level; they must be broad in their scope and approach.

The security consequences of climate change are far reaching – notably, the possibility of food shortages was considered as a possible source of conflict and new refugee flows.

The one resounding message that we can all take home is that strong political action is neces-

sary. Taking action in the midst of an economic crisis is difficult, also politically. But we have no choice. We must tackle the issues that are producing dramatic climate change and diversify energy sources to ensure long-term sustainability. The consequences of not addressing these issues comprehensively are much graver even than the difficulties our economies have recently endured.

Reviving the global economy is inextricably linked to re-thinking energy challenges. Investing in new technologies creates new jobs and diversifying the energy sources creates competition and lowers energy prices. Solving energy security issues and cleaning the environment can help economies grow.

We must also all take a look with critical eyes at our own actions; the way we work, eat, travel, and dispose of waste all have an impact on the environment. And so despite our difficulties, I hope that the commitment that we have all showed during our conference here in Athens will be redoubled when we return to our home parliaments. We have work to do.

The wellbeing of all of our populations relies on reliable and predictable access to affordable energy. Disruptions in access to energy cause economic and social difficulties, and can easily develop into political disputes. We must work to diversify and to further

secure our energy transport routes. Let us also make sure that we work together and that we balance the burden in a fair way between developed and developing countries. Transparency and good governance must form the centerpiece of all of our work in this field, ensuring that the benefits are available to all.

We must also aim for long-term sustainability. The future is diversification of energy sources through increased efforts to develop reliable renewable energy sources. The increasing demand for energy must drive the political will for alternative sources such as biofuel, solar, wind and nuclear power. We hope there will be agreement on solid and far-reaching commitments by our governments later this year at the climate conference in Copenhagen.”

“I hope that the commitment we have all showed during our conference here in Athens will be redoubled when we return to our home parliaments.”

OSCE PA President Joao Soares





Philippe Nobile

Secretary General
Spencer Oliver

The OSCE PA International Secretariat provides administrative support for the Assembly in its various activities. The Secretariat organizes the meetings of the Assembly, and provides support for election observation projects, special missions and Presidential activities. Its work is carried out in co-operation with other OSCE Institutions and international parliamentary organizations. The Secretariat, which is hosted by the Danish Parliament, is headed by Secretary General Spencer Oliver, and has a permanent staff of 17, including three staff members at the liaison office in Vienna.

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The OSCE Parliamentary Assembly is the parliamentary dimension of the Organization for Security and Co-operation in Europe, whose 56 participating States span the geographical area from Vancouver to Vladivostok.

The primary task of the 320 member Assembly is to facilitate inter-parliamentary dialogue, an important aspect of the overall effort to meet the challenges of democracy throughout the OSCE area. Recognized as a regional arrangement under Chapter VIII of the United Nations Charter, the OSCE is a primary instrument for early warning, conflict prevention, crisis management and post-conflict rehabilitation in its area. The Parliamentary Assembly, originally established by the 1990 Paris Summit to promote greater involvement in the OSCE by national parliaments, has grown into a very active and esteemed member of the OSCE family.

The basic objectives of the OSCE Parliamentary Assembly are:

- To assess the implementation of OSCE objectives by participating States;
- To discuss subjects addressed during meetings of the Ministerial Council and the summits of Heads of State or Government;
- To develop and promote mechanisms for the prevention and resolution of conflicts;
- To support the strengthening and consolidation of democratic institutions in OSCE participating States;
- To contribute to the development of OSCE institutional structures and of relations between existing OSCE Institutions.

To pursue these objectives, the OSCE Parliamentary Assembly employs a variety of means:

- A Final Declaration and a number of resolutions and recommendations are adopted each year at the Annual Session in July;
- Committee work addresses important contemporary international issues;
- Programmes and Seminars designed to develop and strengthen democracy including an extensive election observation programme;
- Special parliamentary missions to areas of latent or active crisis.



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