

**Address by H.E. Kassym-Jomart Tokayev,
Chairman of the Senate of the Parliament of the Republic of
Kazakhstan, Vice-President of the OSCE Parliamentary Assembly
at the Parliamentary Conference on “Energy Security and
Environment”**

(Athens, October 10, 2009)

Dear Mr. President,
Distinguished colleagues!

The issue we are going to talk about is extremely complicated and controversial.

Indeed, how to put natural resources on the serve of the progress and security of the whole mankind? This question has eventually to be responded. From the recent history we have taken some bad lessons of neglecting the basic needs of human beings. There was a country which produced almost 600 hundred mln. tons of oil annually but had no ability to provide its people with simple stuff, either foodstuff or something to dress up. That country was doomed to collapse.

Now in the process of globalisation we are witnessing ferocious competition on the energy markets. Energy has become a substantial part of global diplomacy. Its senseless to deny the fact that the current geopolitics is being driven by efforts to get access to the energy resources. The whole world has been divided for the two zones: those that produce and those that transport and consume.

However, there is one area which at least must become common for all countries, either producing or consuming, developed or developing. Its protection of environment. In this context the

development of renewable energy becomes a matter of paramount significance.

While being realists we fully realize that renewable energy in no circumstances will be able to substitute hydrocarbons or other energy resources. But its extremely important to reduce the proportional gap in the global energy structure.

The same task is fully applicable for Kazakhstan. That the reason in June 2009 the Parliament passed a special bill on supporting the development and use of alternative energy sources.

We strongly believe that the efforts of the European Commission to review priorities of EU regional strategy in energy sector will promote the development of renewable energy sources in our part of the world.

It also complies with the goals of the Kazakhstan's "Path to Europe" State Program. For us it is important to learn the European experience in regulating energy sector and in using renewable energy resources, energy-saving and environmentally-friendly technologies. In this regard I would like to draw your attention to the fact that a **Solar center of renewable resources** has been recently established in Almaty.

Nuclear energy should also become an alternative energy source and contribute to the fight against global warming and climate change.

While having an abundant supply of uranium and nuclear fuel resources Kazakhstan plans to emerge as a key player on the global nuclear marketplace.

In this regard I would like to mention about the proposal made by President Nazarbayev to create **an International nuclear fuel bank** under IAEA control in Kazakhstan that was warmly received in the international community.

Water is the second important natural resource following hydrocarbons. According to UN experts, in the 21st century water might become equally important strategic resource as oil and gas.

Water resources of Central Asian countries are divided by state boundaries. Therefore old regulations of water distribution have to be reviewed, and put in a legal framework. We are grateful to our Central Asian neighbours for expressing full understanding and good cooperation. But still the lack of water resources is one of the major challenges to the security of our region. Since this problem affects the environment of Central Asia and beyond we believe that negotiations should be continued in order to achieve acceptable and comprehensive agreement.

That's why the joint use and management of transboundary water resources is our top priority. For instance, in the Eurasian Economic Community Kazakhstan came up with a proposal to establish a **Water and energy consortium** that in our view might smooth out the existing differences in the use of water and energy resources and maintain the ecological balance in the region. We are also willing to build a **Eurasian water center** in Astana to carry out the complex research of the issues relating to the rational use and protection of water resources.

Special attention is being given to **the environmental protection of the Caspian Sea**, the main source of Kazakhstan's hydrocarbons. A global project is to be launched on the Kashagan oil field in 2011. At the same time we must acknowledge that the Caspian biosystem fully depends on the environmental safety of oil drilling.

Another water problem that has to be urgently addressed is **the drying up of the Aral Sea** recognized by UN as a global ecological disaster. The salt from the seabed of the Aral Sea was found as far as on the North Pole. By today the territory of the Sea decreased to 24% from its size of 40 years back.

It was Kazakhstan which proposed to establish the **International Fund for Saving the Aral Sea**. This fund implemented a project that refilled the so called Small Aral Sea. We also put forward an initiative to boost international efforts giving the status of a UN institution to this International Fund.

Kazakhstan is continuously persistent in saving the Aral Sea and therefore we got some tangible results, the Aral Sea level is rising, fishing industry is being revived. And the most important accomplishment is that the climate is becoming better.

I also want to mention the opening of the **Aarhus Center** in Kazakhstan's part of the Caspian Sea. This institution will be monitoring the environmental situation in the whole region.

Astana will host the First Preparatory Conference to the 18th OSCE Economic and Environmental Forum which will be launched next Monday.

The depleting of natural resources and the lack of balance between society, economy and environment is badly damaging the whole situation on the Earth. That results in climate change. It's a huge threat to the very survival of the human beings. In Kazakhstan we take seriously this problem and are willing to contribute to its solution.

Kazakhstan was the first in the CIS to adopt the **Ecological Code** in the year of 2007. We have been implementing the **Environmental Safety Program for 2004-2015** that outlined "ecologization" of the society, economy and legislation as a top priority.

Kazakhstan has set a task to establish environmental standards of sustainable development. Strict up-to-date requirements have to be introduced into industrial, construction, energy and transport sectors to protect the environment.

We have also developed a **National Register of Environmental Problems**.

My country urged the international community to set up a **Global Register of Environmental Problems**. The point is that the modern world faces environmental challenges that have no state boundaries and cannot be handled by a single country. As I have mentioned, the Aral Sea is a striking example.

To prevent global climate change and to curb greenhouse gas emissions Kazakhstan's Parliament has ratified **the UN Framework Convention on Climate Change**.

On March 26, 2009 the President of Kazakhstan signed the Law on **the Ratification of the Kyoto Protocol**.

We fully share the desire of the current EU Swedish presidency to adopt a new climate agreement during the international climate negotiations in Copenhagen in December.

The Parliament of Kazakhstan is expected to ratify **the Convention of the Central Asian states on Environmental Protection** that will become a main document paving the way for sustainable development of the region.

Dear colleagues,

You are all very well aware that Kazakhstan ranks among top 15 countries in terms of its **hydrocarbon resources**.

My country is a reliable and responsible energy partner of the European Union and the third largest energy supplier to the European market among non-OPEC countries following Russia and Norway. The Medium-term Strategy for Central Asia adopted by the European Union has provided a reliable legal framework for strategic dialogue on energy issues.

Kazakhstan has been actively involved in EU energy projects such as the INOGATE program, the European Energy Charter, the Baku Initiative.

Kazakhstan's energy cooperation with Russia and China is of strategic importance.

Commonly speaking, our energy strategy is diversified, balanced, reasonable and pragmatic. And it aimed at meeting up of the basic demands not only of its population but the peoples of other countries.

Kazakhstan proposed to adopt a **Eurasian Energy Supply Stability Pact** that would further diversify energy supplies to consumers and provide guarantees to energy producers in Central Asia.

Kazakhstan succeeded to establish a financial safety margin, having built up financial reserves in **the National fund** which accumulates excess tax revenues from oil and gas and other extractive industries. This Fund turned out to be an efficient instrument of providing security to the people in the times of financial crisis.

Since October 2008 the Government allocated 18 billion dollars from the National fund to ease the consequences of the financial upheavals.

This liquidity was injected to boost financial and construction sectors, small and medium enterprises, agricultural industry and to develop infrastructure.

Kazakhstan strongly supports **the Extractive Industries Transparency Initiative**. We believe that this Initiative also serves as an essential factor of sustainable development of the countries concerned.

At present more than 100 companies including 66 companies from oil and gas sector and 44 from mining sector have expressed their commitment to provide transparency in all deals and contracts.

And finally, allow me to remind you that next year Kazakhstan will assume the presidency in the OSCE. It's a privilege full of responsibility. We look forward to your kind support and cooperation. The Parliament of Kazakhstan plans to host next May Parliamentary

Forum of the OSCE Parliamentary Assembly "Eurasian dimension of the OSCE" to discuss the issues of security, tolerance, development in the vast area of Eurasia. So, welcome back to Astana.

Next year also will be the year 35th anniversary of the OSCE, 20th anniversary of the Paris Charter for a New Europe and 65th anniversary of the end of the Second World War. From our point of view, it is a good momentum and feasible opportunity to encourage all the heads of states and governments to hold a Summit in Kazakhstan to discuss the most pressing issues of comprehensive security including those we are talking about in our Assembly.

Thank you for your attention.