

*Martin Sajdik, Sabine Schneeberger, Christian Strohal*

## Climate Change, Sustainability Cooperation, Confidence Building, and the OSCE as a Common Platform

## **INTRODUCTION**

After fulfilling his promise to bring the US back into the Paris Agreement, President Joe Biden convened 40 world leaders in a virtual Leaders Summit on Climate on 22 April 2021 to rally the world in tackling the climate crisis and meeting the demands of science. In the follow-up to the summit, the European Council has endorsed the objective of making the EU climate-neutral by 2050, in line with the Paris Agreement, in December 2019. While recognizing that achieving climate neutrality will require overcoming serious challenges, it was underlined that the transition to climate neutrality will bring significant opportunities for economic growth, markets, jobs and technological development. As an intermediate step towards the climate neutrality objective, the EU has raised its 2030 climate ambition, committing to cutting greenhouse gas emissions by at least % by 2030, in the European Council December 2020 meeting. In this vein, in July 2021, the Commission presented its 'Fit for 55 Package' – a set of proposals and initiatives whose aim is to revise and update EU legislation to align it with the EU's 2030 and 2050 climate goals.

President Biden advocated a “whole-of-government approach” for the US and presented plans of large scale-investments into infrastructure for a sustainable economy of his country.

In his contribution to the Climate Summit, Russian President Vladimir Putin stressed that global development should not just be green but also sustainable, noted the importance of carbon capture and storage from all sources, and spoke out in favor of joint and coordinated research on climate projects

With the nomination of John Kerry as ‘The US Special Presidential Envoy on Climate’, the first in this position ever, President Biden totally distanced himself from the policies of his predecessor, making the fight against climate change a cornerstone of his Presidency.

In a similar move in December 2020, President Putin had appointed prominent former Deputy Prime Minister Anatoly Chubais as his special representative for ties with international organizations to achieve the sustainable development goals.

Already in 2019, the European Union opted for a fundamentally new approach towards sustainability and combatting climate change by adopting the “European Green Deal”. Commission President Ursula von der Leyen spoke of reconciling business with nature when presenting the draft of this document. Despite often differing interests stemming from different economic and social preconditions prevailing among EU member countries the European leaders have continued to underscore their firm commitment to this new policy line.

Alongside a new thinking among world political leaders, a fundamentally different mindset now governs large sectors of business, resulting in a major reorientation towards sustainability of a considerable number of leading international corporations. In this vein, a coalition of top public and private partners has formed the so-called “Mission Possible Partnership” working on the industry transition to set heavy industry and mobility sectors on the pathway towards net-zero emissions by mid-century. According

to the 'Harvard Business Review' "Black Rock, the world's largest asset manager, is now pushing its companies to have net-zero by 2050 targets and has indicated it will divest from those that don't (sic)".

An ever-growing number of companies worldwide subscribes to the principles ("the ten commandments") of the UN Global Compact, a UN-supported association of major companies from all parts of the globe, united in „the strategic ambition ... to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the SDGs through accountable companies and ecosystems that enable change“ (UN Global Compact Strategy 2021-2023).

Change in the mindset of world political and economic leaders is manifest, cooperation on the tremendous challenges now facing the US, Russia and the EU alike has been advocated, but not yet put on track.

The question is no longer to reduce abstract figures of emissions or temperature rise and to hold conferences with worldwide attendance on horrifying global trends. Now many countries are confronted with a hard reality: forest fires, sudden flooding, mud- and landslides as well as unbearable temperature extremes, which strike our countries ever-more-often, seemingly becoming a constant and expected force of nature. Real awareness of the necessity for fundamental change, for a new approach, is growing more and more among the population of our countries, making climate change and sustainability an absolute priority of daily politics.

Cooperation among our countries is ever more needed, stand-alone solutions won't help to cope with the tasks that confront us now. The demand to find new forms of cooperation grows, platforms are discussed to foster this cooperation.

### **SUSTAINABILITY AND THE OSCE**

The US, Russia, and the EU as well as all other countries of the Northern hemisphere 'don't have to reinvent the wheel', they have long established a common platform, the Organization for Security and Cooperation in Europe (OSCE). The OSCE's so-called Economic and Environmental Dimension points to the importance of these fields for realizing comprehensive security.

The OSCE could very well be this ideal platform to strengthen cooperation among its 57 member countries on sustainability and climate change, on the concrete challenges that face us now. As a multilateral institution, it is well placed to tackle some of the world's critical challenges, such as economy, environment, and security. Over the last years, for example, it has already strengthened its contribution to the Environmental Security Initiative (ENVSEC) in recognition of its widening efforts to contribute to the SDGs. In order to reach these objectives, the development of partnerships with actors that go beyond the inter-governmental sector would be key. This would mean engaging with industry, corporate, and the private sectors, especially in the climate security nexus. Equally, partnerships with the scientific world need to be developed. A kind of OSCE "Regional Compact", i.e. a voluntary corporate sustainability initiative, subscribing to

principles analogous to those of the aforementioned UN Global Compact, could act as the driving force of this agenda.

While not intended to risk duplication of existing mechanisms, the 2030 Agenda and its 17 Sustainable Development Goals (SDGs) could well provide the common ground and framework for this cooperation, even more so as there is only a limited amount of time left in this decade of action. It is worth mentioning that the OSCE has continuously affirmed the link between security and sustainable development. This approach is based on the recognition that conflicts may arise not only from political and military threats but also from economic tensions, environmental degradation, social insecurity, and violations of individuals' rights. However, many actors lack a shared understanding of how the 17 SDGs can be operationalised. While prior efforts to achieving the SDGs have recently undergone serious setbacks due to the COVID-19 pandemic, cooperation and action undoubtedly need to be intensified even more in order to bounce back from the crisis. At the same time, a transformation towards a sustainable future for all could also include chances, which need to be taken into account. It therefore needs to be ensured that the actions taken maximise the opportunities to solve the current crises in parallel.

### **OSCE PLAN OF ACTION FOR SUSTAINABILITY AND SECURITY**

Aware of the upcoming anniversary of 50 years after the Helsinki Final Act 1975, the OSCE has started to actively examine its role in shaping the future of the region. One key element could be defining already now – for instance, by a special expert panel – a specific agenda focusing on main challenges and concrete key issues in the “environment/climate change/sustainability”-sector which could form the basis for a possible comprehensive “Plan of Action for Sustainability and Security”, adopted by all 57 OSCE states:

- Climate security and “de-carbonisation”, i.e. aiming at climate neutrality/net-zero transformation, incl. energy transition, mutual assistance in the case of/standardising prevention of natural disasters (forest fires, flooding etc.); see Annex 1
- public health security, incl. collaboration in preventing and combatting existing and emerging zoonotic threats and pandemics; see Annex 2
- food security and a sustainable food future, incl. water management; see Annex 3
- digitalization, incl. sustainable development knowledge transfer; see Annex 4
- “green-business and finance-platform” to enhance exchange of experiences on sustainability in the economic sector as well as acting as a contact point for young entrepreneurs/start-ups among the member states; see Annex 5

Intensified cooperation among the 57 member states on sustainability and climate could help (re)build much-needed confidence among key actors throughout the OSCE space.

## ANNEX 1

### “Decarbonisation”/Net Zero Transformation”

The unprecedented and interdependent crises of climate change and biodiversity loss pose an existential threat to nature, people, prosperity, and security. Urgent and concrete action is therefore needed to move towards emissions reduction [no net-emissions of greenhouse gases in 2050] and further mitigate and adapt to climate change, in line with the Paris Agreement. Transforming our economies to promote sustainable development, deliver decent green jobs, and build resilience is therefore indispensable. At the same time, it is essential to accelerate the clean energy transition, improve resource efficiency, including by promoting a circular economic approach.

Concrete actions in this field could include:

- increased cross-border and regional cooperation to achieve the benefits of the clean energy transition at affordable prices, foster energy efficiency, and enhance the share of renewables;
- fostered deployment of innovative technologies and infrastructure;
- cooperation on mobility standards, smart infrastructure, connected multimodal mobility and e-mobility;
- establishing early warning systems and increasing resilience to / preparedness for climate-related disasters and weather extremes, such as forest fires, floods, mud- or landslides;
- exploring joint efforts on disaster relief
- exchange of good practices and promotion of smart cities/sustainable urban spaces incl. infrastructure, mobility, or housing;
- collaboration with industry and investments in strategic value chains;
- facilitating discussions on regulatory and/or tax-related issues in this area or
- coordinated efforts on sustainable finance initiatives.

## ANNEX 2

### Public Health incl. Collaboration in Preventing and Combatting Existing and Emerging Zoonotic Threats and Pandemics

The COVID-19 pandemic has placed health-related concerns at the top of the global political agenda and upset the global economy. This crisis has demonstrated that health is also a question of security and of societal stability. At the same time, the interdependence between the environment and public health has been made more apparent. The most damaging outbreaks of high-impact diseases in recent decades have had an animal source and can ultimately be related to the climate crisis, as well. Determined action to build a strong, sustainable, and inclusive recovery from the pandemic is ever more essential, as this crisis has been dramatically impacting progress towards the SDGs on many levels.

Concrete actions in this field could include:

- increased international, cross-border and regional cooperation to achieve better information sharing and data monitoring;
- communication at the scientific level to extend the common knowledge base, foster development and deployment of medicines and/or vaccines, improve sanitation and hygiene or access to physicians,
- establishing early warning systems and increasing resilience as an essential element to improve preparedness and combat future health emergencies;
- initiatives for collaboration with and among the pharmaceutical industry and
- exploring the provision of more efficient funding.

## ANNEX 3

### Food Security and a Sustainable Food Future, incl. Water Management

A number of studies have identified that food security will be imperiled by the combination of climate change, average temperature rise, and market forces which are therefore seen as the major triggers of insecurity. The global nature of climate change demands finding regional solutions to challenges such as water scarcity and overpopulation. Significant action aiming at measurable outcomes will enable achieving the relevant SDGs and could include highlighting existing solutions or advancing future cooperation on food systems transformation, as well as sustainable water management. Achieving access to nutritional food and clean water for all, while protecting biodiversity / the biosphere and the oceans, requires more efficient and sustainable food systems which can also be regarded as a crucial challenge.

Concrete actions in this field could include:

- increased international, cross-border and regional cooperation and sharing of expertise through projects, educational seminars, and technology transfers;
- establishing early warning systems and increasing resilience to / preparedness for disasters and shocks, such as weather extremes which result in crop and livestock losses, destroy homes and displace people;
- fostered deployment of innovative technologies in order to reduce food loss and waste, shift diets and raise productivity by improving or maintaining soil fertility, pastureland productivity and restoring degraded land;
- initiatives for collaboration with relevant actors also to address climate change mitigation and adaptation in agriculture as well as encourage soil and water protection or for providing more efficient funding.

## ANNEX 4

### Digitalization incl. Sustainable Development Knowledge Transfer

While digitalization is barely referred to in the 2030 Agenda or the Paris Agreement, it is increasingly clear that digital changes are becoming a key driving force of transformation. Although certainly a great enabler of sustainable development, a number of potential negative impacts and challenges like transgression of planetary boundaries or the “digital divide” have become more evident. In order to succeed in a sustainable digital transformation, necessary preconditions including prosperity, social inclusion, environmental sustainability and good governance need to be met.

Concrete actions in this field could include:

- increased international, cross-border and regional cooperation and sharing of expertise through projects and educational seminars on digital skills in order to enhance participation in the digital transformation and boost technology transfers,
- combining digital governance with stakeholder knowledge and while taking societal, social, economic and environmental challenges into account;
- fostered deployment of innovative technologies and infrastructure as well as experimental spaces;
- communication at the scientific level to extend the common knowledge base, develop common curricula, such as international sustainability studies;
- initiatives for better integration of SMEs and start-ups in research and development or for providing more efficient funding.

## ANNEX 5

### “Green Business and Finance Platform”

Large sectors in the world of business throughout the OSCE membership are currently undergoing tremendous changes re-orienting their business philosophy towards sustainability and clean nature. Non-financial reporting has been introduced and a consensus appears to be growing that ESG criteria are critical for a full assessment of corporate risk and performance. Standardisation among the major actors is more and more necessary. Investors look for sustainable investments in sustainability-oriented companies, young entrepreneurs/start-ups on the other hand need the capital for their innovative ideas to be transformed into concrete business activities. The OSCE could function as a basis to attract both investors and young entrepreneurs from among their 57 countries-wide membership.

Concrete actions in this field could include:

- Voluntary Standardisation of Non-Financial Reporting, involving key-actors such as the European Financial Reporting Advisory Group, as well as the establishment of a regular review mechanism;
- Regular conferences – also on a regional level – on developments in the sector of financing green investments;
- Regular conferences on trends in “green business”, involving government officials, NGOs, trade unions and actors from the business and finance sectors
- Providing counselling and advice to regional administrations and/or smaller countries among the OSCE membership on supporting “green business and finance” also with a view to entrepreneurship (incl. SMEs and start-ups) which works on developing solutions e.g. for energy, mobility, water or food related challenges.

#### **Authors:**

**Martin Sajdik**, Austrian, studied law and international relations in Vienna, Moscow and Bologna (Johns Hopkins), joined MFA in 1975, postings in Geneva and Moscow, then positions in private sector. Director of Economic and European Affairs (2003-07), Ambassador to China, Mongolia and North Korea (2007-11), Ambassador to UN, New York (2012-15), President of UN ECOSOC (2014/15); Spec. Rep. of OSCE Chairperson in Ukraine (negotiations on settlement for eastern Ukraine; 2015-19), now: Senior Advisor to Centre for Humanitarian Dialogue (HD), Geneva and Board Member of Austrian Institute for European and Security Policy

**Sabine Schneeberger**, Austrian, studied political science, English and contemporary history in Vienna; joined the Austrian Federal Chancellery in 2002, has since then been mainly working on various EU issues; seconded to the UK in 2005; at the Austrian Permanent Representation to the EU in Brussels (2010-14). In 2018, appointed head of department for coordination of government policies in areas of environment, climate change and transport as well as „Coreper I“ (EU coordination) issues. She is also co-responsible for the overall coordination and monitoring of the 2030 Agenda for Sustainable Development and SDG implementation.

**Christian Strohal**, Austrian, has concentrated in his diplomatic career on multilateral work with a special focus on security policy and human rights: most recently, after having served as Permanent Representative to the OSCE, he was Spec. Rep. for Austria's OSCE Chairperson-in-Office 2017. Previously, he represented Austria at the UN in Geneva and served as Director of the Office for Democratic Institutions and Human Rights (ODIHR) of the OSCE. Earlier functions include Ambassador for the 1993 Vienna World

Conference on Human Rights, director for human rights at the Austrian MFA, and Ambassador to Luxemburg. Amb. Strohal has been educated in Vienna, London and Geneva and received his Dr. iur. from the University of Vienna in 1975.