HIGHLIGHTS OF THE ASTANA ECONOMIC FORUM (AEF)

Overall Objective
To discuss current issues and opportunities, explore ways to strengthen economic growth, and seek solutions for the pressing issues of global economic development.

The main theme of AEF 2015
Infrastructure: driver of sustainable economic growth”. The deliberations will focus on the issues of modernization and development of infrastructure as important factors for sustainable development in contemporary times.


Partners and participating organizations in the AEF are: the United Nations, the OECD, the World Bank, the ADB, the Eurasian Economic Commission, and others.

The AEF is the main expert platform of the country which annually attracts more than a thousand delegates from more than 80 countries, including heads of the states, leading politicians, Nobel laureates, renowned scientists and economists, heads of diplomatic missions and international organizations, journalists and representatives of the business elite.

Past Forum
The guests of the VII AEF were:
- His Excellency Mr. Dato' Sri Haji Mohammad Najib bin Tun Haji Abdul Razak Malaysian Prime Minister;
- His Excellency Martin Sajdik, President, Economic and Social Council of the United Nations (ECOSOC), and Permanent Representative of Austria to the UN in New York;
- Muhammad Yunus, Professor of Economics, Nobel Peace Prize Laureate, and Chairman of Yunus Centre and founder of Grameen Bank, and others.

The VIIIth AEF, which will be held this month in Astana, will witness the participation of more than 3000 representatives from political, economic and business circles of more than 80 countries.

Drivers of the “green” economy will be the subject of key consideration
The economic effect of carbon regulation and decarbonization are measures of cost reduction to improve the environmental quality and ensure sustainable national economic development.

One of the first panels of the 2015 AEF will focus on the issues of global climate change and development of carbon trading.

The Republic of Kazakhstan supports the global trend and is moving towards the development of the «green» economy by solving consistently the problems of each stage: from the strategic goals of transitioning to a «green» economy to the realization of actual projects. An important direction of this work - decarbonization and carbon regulation - is one of the key instruments to mitigate climate change.

Politicians, scientists and experts from around the world have raised and continue to address the issues of global warming, which is likely to cross the critical threshold of 2°C, despite all the steps taken to reduce greenhouse gas emissions. For the second year in row, the topic of climate change is not accidentally included in the agenda of the Davos forum. During this meeting in Davos, participants have stated an acceleration of the warming due to human activity and urged governments of developed and developing countries to take stronger measures to mitigate the impact of climate change on the global economic growth.

Climatic factors have had a significant impact on the business world, and IPCC UN experts predict that the pace and extent of this influence will only grow in the future. Thus, climate change poses significant barriers in
operation of agriculture, oil and transportation companies, construction and other industries, causing an economic slowdown. Financial assessment of climate risk, including floods and hurricanes, cases and deaths of heat, energy demand presented in last year's Risky Business Report, indicate that the climate is acquiring more sensitive character to the economy from year to year. Thus, the common problem for all countries - the adoption of integrated solutions for mitigating climate change, so-called decarbonization strategies – is updated in light of the growing trend to diversify the sources of energy supply in virtually all countries of the world.

According to the forecasts of experts, in the next 10-15 years, the dependence on fossil fuels will be significantly reduced, while the activity of companies that provide renewable energy technologies (solar energy, wind energy, small hydro power plants) will increase dramatically. In addition, in accordance with the recommendations of the UN Framework Convention on Climate Change (UNFCCC), there are plans to tight emissions regulation at the international level and to introduce new standards, technological requirements, carbon trading and accounting of emissions during implementation of international projects.

Present the top 15 countries producers of carbon (US, Japan, UK, Russia, China, Indonesia, and others) have begun to develop strategies for decarbonization, involving regulation and comprehensive measures to «purify» the carbon from the national economies through sharply reducing emissions, introduction of innovative green technologies, including renewable energy and development of the carbon market.

One major area of focus for decarbonization – development and rapid expansion of trading system for carbon emissions. National reports of EU, USA, Japan and other countries show that carbon trading is an effective mechanism for promoting measures to reduce emissions and attraction of «green» investments. In December 2014 more than 80 states and more than 100 of the largest companies in the world approved the inclusion of the carbon component in the price of goods and services in Lima international conference.

Kazakhstan had joined the international community in the fight to mitigate climate change and reduce greenhouse gas emissions since the signing of the Framework Convention on Climate Change and the Kyoto Protocol ratification. Being a party to the UNFCCC, the country has made voluntary commitments to reduce greenhouse gas emissions and conduct a coherent policy to reduce the carbon intensity of GDP, the results of which are reflected in the III-VI national reports from 2006 to 2012. Within the framework the Copenhagen Accord (2009), Kazakhstan had a voluntary commitment to reduce greenhouse gas emissions by 15% by 2020 and by 25% by 2050 on 1990 base year levels.

Currently, the Ministry of Energy of Kazakhstan is intensively working on improving the legislative framework for implementing international commitments on climate change. In July 2014, the Council on the Transition to a Green Economy, under the President of the Republic of Kazakhstan, held its first meeting to discuss the mechanisms of adaptation and presented draft recommendations to mitigate climate impacts on the economy.

Nevertheless, the issue of Kazakhstan joining the club of developed countries, and the corresponding high rates of economic growth, require the preparation of a comprehensive plan to reduce the energy- and carbon intensity of GDP. Thus, according to the International Atomic Energy Agency, country CO2 emissions per dollar of GDP are 1.17 kg vs. 0.74 in Russia, and 0.71 in the EU. In order to develop a plan of de-carbonization and low-carbon development, it is necessary to provide measures to significantly reduce greenhouse gas emissions with a gradual shift in power from the combustion of hydrocarbon energy resources to renewable energy, energy-saving technologies in manufacturing, housing and communal services and transport.

In this regard, within the AEF panel session, we plan to present best international experiences of de-carbonization with the participation of world-renowned experts. They are representatives of the Earth Institute at Columbia University (USA), the Potsdam Institute for Climate Impact Research (Germany), and Institute for Sustainable Development and Research (France), the Center for Environmental and Natural Resources Economics at the Higher School of Economics of Russia and others.

The session is intended to discuss the risks of international carbon regulation for domestic manufacturers, the issues of the carbon ISO standards’ introduction, and mechanisms of international cooperation to reduce carbon emissions, Kazakhstan’s opportunities to join the project through the UN’s Green Climate Fund. In this regard,
we invite interested government agencies, international organizations, businesses and NGOs to discuss constructive proposals to develop recommendations for decarbonization in general, and the preparation for a new climate agreement, which is expected to be adopted by the end of this year in Paris.

In conclusion, the experience of developed countries shows that the economic impact of carbon regulation and decarbonization reaches hundreds of billions of dollars, as it includes the cost savings of environmental administration system, actually saving energy, increasing employment, improving the quality of the environment and providing a viable sustainable economy.

**Africa: The Next Driver of Global Economy.**

Organized by the Ministry of Foreign Affairs

- Key questions that will receive priority attention are:
  - The impact of the development of Africa on the global economy
  - Broadening Kazakhstan’s cooperation with African countries
  - Kazakhstan’s investment in addressing and solving the problems of Africa
  - Joint Projects for Development Assistance.

Moderator:


Speakers:

- His Excellency Mr. Erlan Idrissov, Minister of Foreign Affairs of the Republic of Kazakhstan
- Her Excellency Ms. Helen Clark, USG, Administrator of the United Nations Development Program
- Mr. Maged Abdelaziz, USG, Special Representative of the UN Secretary-General on Africa (tbc)
- Mr. Abdalla Hamdok, Deputy Executive Secretary, UN Economic Commission in Africa
- Ms. Christine Beerley, Vice-President, the International Committee of the Red Cross
- Mr. Anil Sooklal, Deputy Director General, Department of International Relations and Cooperation of South Africa
- Ibrahim Mayaki, Chief Executive Officer, NEPAD Agency (tbc)
- H.E. Mr. Aniset Gabriel Kochofa, Ambassador Extraordinary & Plenipotentiary of Benin to the Russian Federation.