



Organization for Security and Co-operation in Europe

Office of the Co-ordinator of OSCE

Economic and Environmental Activities

OCEEA Webinar

**Economic and Environmental Impacts of COVID 19 and their implications for security
Vienna, 29 April 2020**

Welcoming remarks

Ambassador Vuk Žugić

Co-ordinator of OSCE Economic and Environmental Activities

Excellencies,

Dear Colleagues,

Ladies and Gentlemen,

I am very pleased to welcome you to this first among a series of Webinars on the Second Dimension and COVID-19. With these, what we call “*Learning and moving forward together*” webinars, we aim to facilitate a talk among our participating States on the economic and environmental impacts of the COVID-19 pandemic, enable an exchange on experiences and lessons learned, and explore co-operative solutions to move forward.

Dear colleagues.

This first webinar will initiate discussion looking at the economic and environmental impacts of COVID-19 in a broad context and their implications for the stability and security of the OSCE region. With the support of our guest speakers, we also hope to shed light on how these multi-faceted economic, social and environmental challenges could be tackled and what would be the path to follow to ensure a sustainable and effective recovery from this devastating crisis.

The COVID 19 pandemic which is spreading around the world, since the last quarter of 2019, has been causing a large-scale loss of life (until now over 169,000 deaths), severe human suffering and major disruption to the global economy.

This pandemic brings with it the third and the greatest financial, economic, and social shock of the 21st century, after 9/11 and the Global Financial Crisis of 2008. Indeed, the IMF forecasts a cumulative loss to global GDP- during 2020 and 2021- amounting up to 9 trillion dollars.

Now, the peculiarity of the current crisis is its truly global character, as no country- be it an advanced or developing economy- is spared. Moreover, all sectors of society and of economy have been affected by this pandemic, from public health, environment, social and governance systems, to all financial and economic sectors - including transport and trade.

Indeed, in the last months we have been experiencing a halt in production in many sectors, that has been hitting supply chains across the world, as well as a sudden drop in consumption partly due to uncertainties and the lack of confidence. All this, together with the resulting incremental increase in global unemployment, poses a significant threat to sustainable development, security and stability, worldwide, including in our region.

When it comes to the environmental sphere, it is true that we are observing some positive collateral effects of COVID 19 crisis, like improvements in air quality, or reductions in the greenhouse gas emissions. But these are likely to be valid only for the short term. Once the economy begins to restore, these short-term gains will probably be lost quickly and even a sudden rise in pollution and emissions could be expected due to a boost in industrial operations similar to the aftermath of the 2008/2009 financial crisis. On the other hand, this COVID-19 outbreak is reportedly linked in many ways to climate change and broader environmental change, including deforestation. However, one thing that we can confidently say is that this pandemic reminds us how fragile our economy is in the way we live today. Therefore, it is important for us to keep environmental issues as well as climate resilience high on our agenda.

Colleagues,

COVID-19 does not stop at borders. This is true for both economic and the environmental problems as well. Thus, most probably the sum of many individual actions, will not add up to a sufficient response. Indeed, in today's highly interconnected world, it is absolutely necessary to have strong solidarity and a co-operative approach at all levels- community, state, regional and global. This unprecedented crisis also requires an inclusive and participatory approach that makes it possible to benefit from the contributions of all stakeholders, national governments, think tanks, civil society, international organizations, the private sector and the academic world.

At times of crises, we see more clearly the importance of international cooperation, as the most effective way to emerge from COVID 19 crises even stronger than before, and the best defense against any future global threats. Global challenges should be addressed collectively.

Therefore multilateral organization like OSCE, with its comprehensive approach to security, and the Second Dimension, with its focus on addressing economic and environmental challenges to security, is well positioned to provide a platform for facilitating dialogue, sharing lessons and supporting co-operation, and joint measures to tackle the devastating impacts of this pandemic in our region.

This is why, today I am very pleased to have with us distinguished speakers who will share with us a variety of economic and environmental perspectives that will inspire us on how the OSCE could support its participating States in coping with and recovering from this crisis.

Thank you.