



Statement by OSCE Chairman-in-Office Minister Karel De Gucht

**International Conference on
The Role of Governments and International Organizations in
Promoting Energy Security**

Brussels, October 25, 2006

Ladies and gentlemen,

It is with great pleasure that I welcome you, here, in Brussels, to this International Conference on The Role of Governments and International Organizations in Promoting Energy Security.

Allow me first of all to thank, on behalf of the OSCE, our partner organizations - the Energy Charter and the International Energy Agency - for organizing this international conference, with us.

Our objective today is to try to identify converging interests, policies and instruments that can bring us closer to a constructive framework for international energy cooperation and enhanced energy security for us all.

Clearly, energy is and remains essential in our day to day lives. Energy provides the basis for economic development and growth. We can hardly imagine living without it. We take it for granted that it is available whenever and wherever we want it. And yet, events at the beginning of the year, among others, have reminded us that energy supply is maybe not all that secured.

Moreover, with world population growing, economies developing and our standards of living rising, demand for energy is rapidly on the rise. Scientists expect the oil demand in 2050 to be 93% higher than it was in 2003. This will inevitably result in growing energy dependence, higher prices, and more complex energy supply policies.

No wonder that energy security is at the top of the political agenda of national governments and international organizations. We all face new challenges to global energy security, both energy producers and energy consumers. We need to work together to face these challenges. Existing national energy policies do no longer provide secure access to energy resources and a sustainable balance between demand and supply.

First, it is in our interest to achieve greater transparency on international and regional markets. We need a better legal framework for the necessary long-term investments, through the rule of law. Secondly, we should promote energy predictability, and ensure the security and safety of energy routes. Thirdly, we will never meet the climate and energy security challenges without making more efficient use of energy resources and looking for more

energy diversification. Finally, we should reduce energy poverty, and continue improving the investment climate in the energy sector.

There is today a widespread consensus on the major long-term challenges we are all facing. We should now agree on how precisely they should be addressed. The global nature of these challenges and the growing interdependence between producing, consuming and transiting countries require a strengthened partnership between all stakeholders to enhance global energy security.

We should strengthen the dialogue and co-operation, not only between governments, but also between governments and industry, with a view to ensuring reliability, security and affordability of energy supply, to the benefit of all.

Excellencies, Ladies and Gentlemen,

The OSCE, the Organization for Security and Cooperation in Europe, is a regional security organization that contributes to a convergence of views and a growing awareness of common interests in the 3 dimensions of its security concept: the political-military, the economic-environmental and the human dimension.

The OSCE does not aspire to become an international energy organization. Yet, I firmly believe the OSCE can and should play a role in the field of energy security. Indeed, energy is an issue of strategic importance from the point of view of the stability and the development within the OSCE region

and it is a matter of concern for all 56 OSCE Participating States, among which are major energy producers, consumers and transit countries.

In this respect, I would like to recall the OSCE “Strategy Document for Economic and Environmental Dimension”, adopted at the Ministerial Council in Maastricht, in 2003. This document contains some principles which could be helpful.

It stresses, among other things, that a high degree of energy security presupposes that energy supplies are predictable, reliable, affordable and are taking place on a commercially and environmentally sound basis. The OSCE advocates an active energy dialogue and more efforts to diversify energy supplies, to secure energy routes and a more efficient use of energy sources.

The Maastricht Strategy Document also sets out OSCE tasks on the issue, on which I would like to draw your attention.

First, I believe the OSCE is well-placed to contribute to an active energy dialogue and to promote the broader concept of energy security, encompassing all stages of the value-added chain, involving countries of origin, transit and destination as well as other stakeholders, including the private sector and civil society.

Secondly, the OSCE can promote diversification of energy sources and energy efficiency by providing its political platform and by supporting the

implementation process of existing frameworks to reduce energy dependence and to ensure a sustainable environment.

Thirdly, the OSCE can raise awareness and exchange best practices on existing legal and regulatory energy frameworks with a view to promoting their adoption and effective implementation.

Fourthly, the OSCE, as the world's largest regional security organization, can help promote the protection of critical energy infrastructures against terrorism and natural disasters.

Finally, I believe the OSCE should aim at enhancing inter-agency cooperation between international energy organizations. For that reason, I'm pleased that the OSCE has been able to organize this conference jointly with the Energy Charter and the Energy Agency, as a demonstration of such an inter-agency co-operation. I believe also that the OSCE can contribute in linking this cooperation with a political dialogue between energy producing, consuming and transit countries. In this respect, I think, the OSCE is well placed to broaden the G8 St-Petersburg Action Plan to its 56 Participating States.

Let me conclude by thanking the Coordinator of OSCE Economic and Environmental Activities, Mister Bernard Snoy and his deputy Patrice Dreiski. Mister Snoy successfully conducted a technical energy information mission to several OSCE countries and international organizations. The conclusions of his mission will be presented during lunch.

Ladies and Gentlemen,

The energy scene at the beginning of the 21st century shows us an interdependent world, where we rely on one another for energy security and stable economic conditions. Energy security will remain on top of the global political agenda. Therefore, I call on all countries to strengthen dialogue and co-operation in this regard. The OSCE stands ready to do its part of the job.

I wish you all an interesting conference and fruitful discussions.

Thank you for your attention.