

International Odessa Forum
Promoting Energy Security and Investment in the Black Sea Area:
The Role of Multilateral Cooperation

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Introductory remarks for the Plenary Session
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Your Excellencies, distinguished guests, ladies and gentlemen: on behalf of the Energy Charter Conference, I would like to thank you all for your participation in this timely and significant Conference and for sharing with us your knowledge, experience and commitment to the promotion of investments in this important region.

Today's discussions have confirmed that increased access to adequate, affordable and sustainable energy services, coupled with appropriate attention to regional and global concerns, will be the compelling drivers for greater emphasis on the energy sector in the Black Sea region in the future.

The Black Sea region is already a vital energy region and there is considerable potential for further development. We have heard today about the large scale proposals that exist for increasing the region's role in terms of the transit of energy resources, notably from Eurasian producers to European energy markets. Significant infrastructure projects will be required to achieve this aim and this shall require huge investments.

These are ambitious proposals. Many of the projects are not, however, new but rather have already been in the process of development for many years. This suggests that while there are clear opportunities for substantial development of the region's energy sector and a strong desire to move forward, there are also significant challenges to achieving progress.

As we look back over recent years, it has often seemed as though it has been geopolitics that was the main driver of energy policy in the Black Sea. This factor has been an important element in the development of the energy relations, not always avoiding tensions over this issue. A multilateral approach offers a different way of approaching energy projects. Multilateralism can provide shared minimum rules and help to establish common standards. This can go a long way in ensuring that positive competition functions in energy markets and that energy is seen in positive sum terms; as an interest shared by all sides.

At the same time, we need to acknowledge that multilateral approaches have themselves faced difficulties. There is a substantial and developed history of multilateral initiatives in the Black Sea region. Clearly this points to a shared sense of the value of cooperation. Finding the best way to work together has not, however, always been straightforward. It is clear that more needs to be done in order to ensure that regional cooperation achieves its full potential in the region.

Given the complex and multinational character of the exploitation and transportation of energy in this region, I am convinced that multilateral organisations, such as the Energy Charter, have made and will continue to make a contribution to ensuring the secure, stable and reliable supply of energy. As you may be aware, the Energy Charter, uniquely among international energy organisations, involves all of the countries of this region in the Energy Charter process. This means that the Energy Charter has a special role in bringing together the producer and transit countries of these regions and linking them to the main consumer markets for their energy products.