



**Organization for Security and Co-operation in Europe**

**Strengthening Regional Co-operation in Central Asia for  
Promoting Stable and Reliable Energy within Eurasia**

Ashgabat, 3-4 May 2010

Opening Plenary Session  
H.E Marc Perrin de Brichambaut  
Secretary General of the OSCE

*-- Check against delivery --*

Ministers,  
Excellencies,  
Distinguished Guests,

It is a pleasure to take part in this International Conference on strengthening regional co-operation in Central Asia for promoting stable and reliable energy within Eurasia. It is significant that we meet in Ashgabat to discuss this topic. Turkmenistan is a key country in Eurasia. It is a major energy producer and holds a strategic geographical position in a vital region.

Our meeting confirms the leading role that Turkmenistan is playing on the international stage to promote energy stability and reliability. I remind you of Turkmenistan's success in securing the unanimous adoption of the Resolution "Reliable and Stable Transit of Energy" during the 63rd session of the United Nations General Assembly.

Calling for international co-operation in ensuring reliable transportation of energy to international markets, the UNGA Resolution is very much in harmony with the principles developed in the OSCE. The OSCE, in turn, is well placed to act as one of the venues where this call for dialogue may be taken forward.

The OSCE contribution to this objective rests on solid foundations.

These were first set in the 1975 *Helsinki Final Act*, where the participating States agreed on the importance of the economy and environment for the lasting security of societies, States and regions. In the 1990 Bonn *Document of the CSCE Conference on Economic Co-operation in Europe* – whose anniversary we celebrate this year -- OSCE States established a set of core commitments in the economic and environmental areas. These were reaffirmed in *Charter for European Security*, agreed in Istanbul in 1999.

In 2003, the participating States agreed to the *OSCE Strategy Document for the Economic and Environmental Dimension*, where they inscribed energy security as a key element of OSCE deliberations. The participating States agreed that “energy security requires a predictable, reliable, economically acceptable, commercially sound and environmentally friendly energy, which can be achieved by means of long term contracts in appropriate cases.” On this basis, the participating States decided to encourage energy dialogue and efforts to diversify energy supply, ensure the safety of energy routes and make more efficient use of energy resources.

The Brussels Ministerial Council of December 2006 took another step -- through the Decision on “Energy Security Dialogue in the OSCE.” The Decision expressed support for the principles and objectives agreed at the 2006 G-8 Summit in St Petersburg, and tasked the OSCE to promote a dialogue on energy security, involving producing, transit and consuming countries.

The year 2009 saw further movement. On 6 July, the OSCE organised a conference on strengthening energy security at the initiative of the Slovak and Greek Governments. At the Athens Ministerial Council meeting in December 2009, the participating States agreed a Decision on “Strengthening Dialogue and Co-operation on Energy Security in the OSCE Area.” The Decision encouraged

the participating States to use the OSCE as a platform for energy security dialogue in order to contribute to security and stability in the OSCE area and strengthen co-operation in the energy field, including at the regional and sub-regional level.

All of this to say that these commitments provide a solid framework for the OSCE to promote a dialogue for stable and reliable energy.

Excellencies,

Ladies and Gentlemen,

The OSCE works to complement dialogues and processes that are underway in other formats and within other international organisations that have more targeted and technical mandates.

This is why I am so pleased that representatives from so many different sectors are present at the Conference -- including national Governments, the UN, the European Union and the Energy Charter Secretariat, as well as companies in the private sector and diverse independent experts.

I thank you for coming. I look forward to your contributions and input. The suggestions that we will explore during our deliberations will not close a process but take it forward.

What are the prospects for the development of energy in Central Asia? What is the place of Eurasia on the global energy agenda? What are the principles for a stable and reliable energy market? How can the legal framework for the regional energy market be strengthened?

These are some of the complex questions that we will address today and tomorrow. They concern the Central Asia countries, but their relevance extends well beyond the region.

Three sessions are devoted to considering the guidelines for bolstering the legal framework.

This stands to good reason. It is vital to develop stronger international governance for global energy supply on the basis of clearly identified legal norms and mechanisms. We all recognize that this process will take time, and that it is important that the requisite expertise and will is gathered from all actors to move forward.

In this respect, I remind you that the first step to implement the UNGA Resolution "Reliable and Stable Transit of Energy" was the High Level International Conference held in Ashgabat a year ago – on 23-24 April 2009. This Conference provided an opportunity to explore how to develop relevant international legal instruments for enabling the reliable and stable transit of energy -- with particular reference to the role of Central Asia. I can attest that the discussions then were deliberate and productive.

In co-operation with the Government of Turkmenistan, the OSCE is ready to support further the process of defining relevant legal tools and frameworks to support energy development and stable economic relations in Central Asia.

This International Conference comes at the right time, as wide consultations have started on the possible evolution of the international legal framework.

As you are aware, the President of the Russian Federation presented an initiative in 2009 to develop a new framework. This would take into consideration the interests of both suppliers and consumers and address also some concerns regarding the transit of energy. I believe that we should see these ideas as an invitation to a genuine dialogue.

Multilateral tools are everywhere undergoing evolution.

The Energy Charter Treaty deserves careful attention. All parties have recognized the need for an evolution of the Energy Charter Treaty. This was confirmed during the last Energy Charter Conference in December 2009. It is clear also that the *acquis* of the Energy Charter as developed over the last 15 years can contribute vitally to improving the present legal framework, taking into consideration lessons that have been learned and the new challenges arising on the energy market.

The OSCE can be useful in raising the awareness of problems and in exploring new approaches for cooperation among the participating states, taking into account the contribution also of all actors in civil society. The OSCE can act as a clearing house for expert advice and discussions and for facilitating an inclusive political debate. This role falls also within the scope of the OSCE “Corfu Process” – the new dialogue on pan-European security launched in June 2009.

Your Excellencies,

Ladies and Gentlemen,

At its heart, energy security and reliability is a classic cross-dimensional challenge, and as such, it should remain a core issue for the OSCE. As this International Conference shows, the Organization can provide a unique platform for dialogue among the participating States, with other organisations and bodies, and including the private sector and experts.

Balanced and fair rules in the energy sector are as vital as they are in any other part of the economy. Equally, energy cooperation should be driven by a balanced approach – taking into account the interests of production and development, transportation and consumption. Transparency and predictability are vital at every stage of the energy chain.

Regional and international initiatives for good governance play a key role in elaborating basic rules and principles. As political commitments or as legally binding treaties, conventions and legal instruments, these rules and principles can

and should act as the cement for more stable and predictable international interaction and set the basis for more efficient co-operation.

Interdependence in the energy sphere should be taken for what it can be – a positive opportunity for necessary co-operation between all actors in the energy equation.

Strategic choices are continuously being made by governments and by the private sector on issues that affect the future and determine the predictability of the investment climate. For investors, who must commit significant resources over the long term – whatever the current state of markets -- this requires solid commitments and stable, trust-based relationship between all concerned actors at all stages of the exploration, production, and transportation and distribution cycle.

Interests are definitely interlinked, and they are especially important for the development of stable and reliable energy in Eurasia. Choices that are being made today on development, transportation and transit will have consequences for decades by structuring economical and political relationships between countries of the region and beyond. These choices must be made on solid foundations and in ways that strengthen development and cooperation

Your Excellencies,  
Ladies and Gentlemen,

This meeting is important.

Turkmenistan is leading from the front on these issues. I thank the Government for its initiative. I am grateful also for the support provided by the OSCE Centre in Ashgabat, Ambassador Zekolli and his team. My gratitude goes also to Goran Svilanovic and his office for their stellar work.

Thank you for listening. I look forward to our deliberations.