





Office of the Co-ordinator of OSCE Economic and Environmental Activities

Vienna, 17 November 2009

## Eastern Europe Expert's Workshop on the Security of the Energy Infrastructures

Minsk, 10 December 2009

## **Background Note**

The OSCE Strategy Document for the Economic and Environmental Dimension, adopted by the Ministerial Council in December 2003, mentions the security of energy transport routes in its section on "challenges and threats in the economic and environmental dimension ".In the section on the OSCE response and action to face the challenges through co-operation to enhanced development, security and stability, a special paragraph (2.1.12) is dedicated to energy and reads as follows:

"We recognize that a high level of energy security requires a predictable, reliable, economically acceptable, commercially sound and environmentally friendly energy supply, which can be achieved by means of long term contracts in appropriate cases. We will encourage energy dialogue and efforts to diversify energy supply, ensure the safety of energy routes, and make more efficient use of energy resources. We will also support further development and use of new and renewable sources of energy "

The 2006 Ministerial Council has adopted the 12/06 MC Decision on energy security dialogue in the OSCE, noting among others, that the increasing energy independence between producing, consuming and transit countries needs to be

addressed through co-operative dialogue enabling them to benefit fully from this interdependence and to further promote global energy security with due regard to the interests of all stakeholders .In this decision , the OSCE ministerial council has taken note of efforts to diversify energy supply and demand, energy sources and transportation routes , as well to increase the flexibility of energy transport systems through multiple supply routes or optimal, including direct , transport interconnections between suppliers and consumers , as appropriate , and to make more efficient use of energy resources , paying due respect to environmental considerations.

The energy is a core element of any economy. An efficient energy sector is essential to underpin growth and maintain standard of living of the industrialised countries; it is a necessary condition for the sustainable development of emerging countries.

The energy security dialogue developed within the OSCE area is covering several aspects :security of supply , security of demand ,security of transit , security of the distribution network until the final consumer ; the legal framework and its capacity to protect the rights of the parties contributes also to the energy security .These aspects of the energy security are a chain where one failure interrupts the whole chain and jeopardizes the energy security .

The issue of critical energy infrastructure security has become an important part of energy security dialogue. The destruction or disruption of critical energy infrastructure would have a serious impact on the health, safety, security or economic well-being of citizens. Gravely concerned with the growing risk of terrorist attack on critical infrastructure, and recognizing that critical energy infrastructure can be vulnerable to terrorist attack, the OSCE participating States adopted the Ministerial Council Decision on Protecting Critical Energy Infrastructure from Terrorist Attack (MC.DEC/6/07). This issue was discussed in particular in the frameworks of Follow-up OSCE PPP Conference held in Vienna on 15-16 September 2008.

Consultations and expert meetings allowed to draw up the conclusion that "the OSCE is particularly well positioned to serve as a platform supporting a comprehensive approach to critical energy infrastructure protection since no other organization seems to be doing so and the OSCE has a comprehensive security mandate as opposed to the more narrow, specialized mandates of other organizations". Therefore the OSCE Ministerial Council Decision No.10/08 on Further Promoting the OSCE's Action in Countering Terrorism contained the tasking to "the Secretary General and relevant OSCE executive structure to support the organization in 2009 of expert-level seminars, workshops and simulations [...]" on protecting non-nuclear critical energy infrastructure.

In July 2009, the OSCE conference organized in Bratislava has identified the fields of cooperation on these different parties of the energy security chain.

## The way forward for cooperation.

In order to stimulate an in depth-analysis of this dialogue and cooperation on energy security, it is suggested to develop this dialogue and cooperation on a regional basis, taking into account the specific situations of the concerned OSCE Participating states.

Belarus has been promoting a genuine domestic energy policy, based, notably, on the development of renewable energy sources .Minsk has hosted several OSCE events demonstrating the Belarusian willingness to be an active partner on this field of regional cooperation .The geographical situation is an asset for this regional cooperation.

The development of the energy flows, for the primary energy sources (oil and gas) as for the secondary ones (electricity grid) has made the countries more and more interdependent. A strong increase of the interregional trend is being developed all over the world, particularly with the development of the Liquefied natural gas (LNG).

The assessment of the risks susceptible to endanger energy security and the capacity of resilience in order to overcome these threats has been considered by several OSCE Participating States as sound opportunities of regional cooperation.

Belarus has offered its readiness to host such OSCE event, on a similar model as the one organized in October 2008 on the theme of energy efficiency.

## This event would address:

- -The security of delivery through the capacity of the distribution network to deliver on due time and due quantities the energy required. Beyond the legal and commercial commitments, the capacity of facing disruption is a matter of concern among the participating States and therefore should be addressed.
- The scope of possible disruptions would be addressed considering the nature of this disruption (terrorist and criminal threats, technical failure, or natural /manmade disaster). So far, terrorism threats have not been targeted towards energy infrastructures. Nevertheless, there is a high risk of disruption in case of an actual aggression on any infrastructure network.
- -The current economic and financial crisis and its direct consequences on the capacity to afford energy investments on the whole added value chain, including

transport and distribution and, therefore, can affect critical energy infrastructure security.

- -The respective roles, in this domain, of state authorities and private companies should be considered regarding the ways ands means of reaction.
- -The storage capacity and the management of this capacity should be addressed during this event.
- -The interoperability of the transport network (for primary ands secondary energy sources)

Participants: Representatives from the OSCE Participating States in Central Europe (delegates and experts from the capitals), experts from energy companies operating in these countries, experts from others international organisations involved with energy security (United Nation Economic Commission for Europe, International Energy Agency, International Atomic Energy Agency, Energy Charter Secretariat, the European Commission, The NATO Secretariat, The Energy Community Secretariat, and organisations representatives of energy companies, such as EUROGAS and EURELECTRIC.

The outputs of this event could be on selected levels:

- exchange of information and possible recommendations towards the Participating States aiming at improving the energy security within the OSCE area, in order to increase awareness of the energy security challenges and political will to act.
- identifying gaps and niches where additional initiatives, could be launched under the auspices of the OSCE in co-operation with other organisations as appropriate.

The working languages of the Workshop will be English and Russian with a simultaneous translation.