

STATEMENT BY MINISTER OF FOREIGN AFFAIRS OF LITHUANIA

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**OSCE SPECIAL EXPERT MEETING ON
ASSESSING THE OSCE'S FUTURE CONTRIBUTION
TO INTERNATIONAL ENERGY SECURITY COOPERATION**

Vilnius, September 15, 2010

Excellency ambassadors,
Distinguished guests,

It is my great pleasure to say a few closing remarks at the end of this event.

I am very pleased that so many of you have found possibility and time to come here. In this regard, let me thank the experts, OSCE states, Secretary General Mr. Brichambaut, Co-ordinator of OSCE Economic and Environmental Activities Mr. Svilanovic, his office and Kazakh chairmanship for cooperation organising this event – all of you have done a great job realising Athen's Ministerial Council decision – thank you!

We have had an excellent and comprehensive discussion on such an important matter as energy security. We are looking forward to the Secretary General's rapport on the OSCE's role in energy security which will undoubtedly reflect all relevant ideas presented during the event.

This event has been like a final run through before the Lithuanian chairmanship. Moreover, as an incoming chairmanship, Lithuania has had great expectations from this special meeting because we suggest sustainable energy cooperation and transport as the main themes for the OSCE 2nd dimension activities next year. Therefore, we are twice as glad to welcome you here and to contribute to the OSCE's discussion about its role on energy security.

During its chairmanship, Lithuania intends to follow successful Greek and Kazakh chairmanship achievements in economical and environmental dimension by suggesting discussion on environmentally friendly usage of energy resources, on promoting green

transport corridors and regional cooperation. In this regard, I would call on OSCE participating States to approve decision on the theme for the next years Economic and Environmental Forum in due time.

Energy security has become a major concern during the recent several turbulent years and this issue will dominate politics for the next decades and considerably beyond.

Due to geopolitical reasons, the Baltic region has long been structurally dependent on imported energy. Therefore, we understand the necessity to jointly develop common principles in energy field, such as:

- Usage of energy resources for development of economical prosperity;
- Transparency of energy markets;
- non-discrimination;
- Infrastructure projects development following environmental requirements and
- Promotion of low carbon technologies in order to cope with the climate change.

Application of such principles would create better conditions striving for the main goal of the OSCE, namely undivided security, conflict prevention and conflict resolution.

Representatives of my country and experts from our neighbor countries, have already presented fast and comprehensive changes of energy sector in the Baltic region. To our mind, big energy challenges in our region, such as closing nuclear power plant, creation of a completely new climate in the energy sector, enables us to share this unique experience with the OSCE.

Energy cooperation is a complex issue, directly related to climate change, environmental security and sustainable economic development, therefore consolidated efforts and solutions are needed to cope with these challenges. With participation of main energy producers, consumers and transit countries, the OSCE constitutes a favourable framework to deal with energy security challenges. The OSCE can offer for such a dialogue its unique pan-European and trans-Atlantic platform to support existing frameworks.

Speaking about how we see energy security I would like to note several ways in which current global energy security architecture can be strengthened. As you may know, Lithuania is very

active in the field of energy co-operation and actively promotes a more structured energy agenda within NATO, including establishment of NATO's Energy Security Center of Excellence.

As regards EU energy policy, Lithuania strongly believes that competitiveness, interconnectivity and security of supply are the main pillars for the proper functioning of the EU energy market. In this light, the Implementation of the Baltic Energy Market Interconnection Plan (BEMIP) becomes a top priority; when realised it would contribute to the reduction of the vulnerability of Baltic region and provide better integration into the EU energy market.

Competition and real market has a big role to play in energy security. The Baltic States have recently made their first steps into liberalization of their energy markets. By the end of last year Ignalina NPP was finally closed for decommissioning and the electricity power exchange was launched on the 1st of January. Designers of the exchange were positively surprised that more than half of electricity was already sold through the exchange in June. This is just a beginning of a process of creation of Baltic electricity market and its integration into the NordPool system. Such positive experience enables us to map out the creation of gas exchange as well.

Undoubtedly, nuclear energy and renewables will play their part in global energy security architecture. We consider nuclear energy to be an important tool to cope with the challenges of energy security and climate change. At the same time, it is our common interest and obligation to assure that all new nuclear energy projects that are carried out in the region, should be implemented according to the highest international nuclear safety and environmental standards and conventions, especially according to Espoo Convention and Nuclear Safety Convention. As regards renewables, we maintain, that the development of renewable energy is one of the key solutions to the challenges of energy security. Lithuania is also a founding member of international renewable Agency IRENA, which major task is to develop comprehensive solutions to the energy challenges by promoting all types of renewable energy.

To what has been said, it may be added that Organisation of Security and Cooperation in Europe has its own role to play in meeting the challenges that global energy security poses to

all of us. OSCE ability to raise political support and consensus needed for necessary changes might be of extreme importance. To achieve this we all need political will and common sense.

Let me thank you all for your active participation, your thoughts and ideas. This meeting has proved once again OSCE's abilities to find common approaches and joint interests of its member countries. This is one of the greatest assets of the OSCE!