

United States Mission to the OSCE



Session 4: Energy Security

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Moderator,

Energy issues have figured prominently in the OSCE's Economic and Environmental Dimension from the very beginning of the CSCE at Helsinki.

The 1990 Bonn Conference reiterated the importance of cooperation in the energy sector, and at the Maastricht Ministerial Conference in 2003, we agreed that dialogue on energy security is a vital component of our efforts in the economic and environmental dimension of security. This view has become further sharpened and refined at subsequent Ministerial Conferences in Brussels, Madrid, and Athens.

As we saw just last month in Vilnius, energy security remains an integral part of the OSCE's concept of comprehensive security, not least because interruptions to energy supply, due either to market disruptions or threats to critical infrastructure, could lead to considerable economic dislocations with humanitarian implications in the OSCE space.

The OSCE continues to provide a useful platform for facilitating regional consultations and dialogue in the energy sector. To ensure that we are utilizing the tools we have to maximum benefit, we should formalize a process whereby we can address issues of concern in the energy sector, as the Slovak Republic, and others, proposed in the Corfu Process.

The increasing number and intensity of energy-related incidents in recent years, both natural and manmade, make it clear that a systematic process is needed to allow participating States to discuss concerns related to the energy sector. We remain convinced that these issues should be resolved bilaterally when possible. When a bilateral solution cannot be found, however, the OSCE should be prepared to offer itself as a platform for dialogue and mediation. Moreover, this process should not be directed against any one participating State, but should be seen as a collaborative effort to solve energy-related problems before they become crises.

The OSCE also has a role to play in enhancing transparency in the energy sector. The United States has just taken action to enhance transparency in the energy sector by signing into law a landmark provision that requires energy and mining companies registered with the U.S. Securities and Exchange Commission to disclose how much they pay to foreign countries and the U.S. government for oil, gas, and minerals.

This provision is an essential new tool in promoting transparency in the oil and mineral sectors. This legislation will immediately shed light on billions of dollars in payments between multinational corporations and governments, giving citizens the information they need to monitor companies and to hold governments accountable. It will shine a sustained light on the relationship between corporations and governments in the oil and mineral sectors, and will make impossible the kind of back-room dealings that cost taxpayers in lost royalties. We encourage other states to enact similar requirements.

As an organization we could achieve even greater transparency and energy security by fully endorsing the Corfu proposal on transparency principles, such as those embodied in the Extractive Industries Transparency Initiative, known as EITI. Eighteen participating States are implementers or supporters of EITI; EITI has already been endorsed by the UN, the G8, the G20, the EU, the European Bank for Reconstruction and Development, the IMF, and the World Bank. Having the OSCE and its participating States endorse EITI principles would send a powerful message to governments, societies, and markets that the OSCE appreciates the vital link between transparency principles and comprehensive security. A successful side event yesterday provided further illustration of how this is already making a difference.

We are ready to work out the details of these and other proposals to enhance energy security in the OSCE space. Our common future cannot and will not wait for us to decide how to ensure that energy supplies – efficient, predictable, and environmentally sustainable – contribute to our collective wellbeing.