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AMBASSADOR OF BELARUS TO THE UNITED STATES  
ON “PIPELINE POLITICS: ACHIEVING ENERGY SECURITY IN THE OSCE  
REGION”  
UNITED STATES COMMISSION ON  
SECURITY AND COOPERATION IN EUROPE  
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Chairman Hastings,  
Co-chairman Cardin,  
Members of the Commission:

Thank you for the invitation to speak on the issue so important for all of us which is the energy security. Energy is a strategic commodity of high relevance to geopolitics. It has been clear in modern history starting with World War II and extending to current global power relations.

Energy is and remains essential in our days. We can hardly imagine to live without it. With world population growing, national economies developing and standards of living rising, demand on energy is rapidly on the rise.

It's important that we recognize today's problems to global energy security and those of tomorrow. It's even more important that we act now to address them. Energy security is no longer a matter solely of national sovereignty. Today, security is indispensable issue even in general discussions about foreign policy. Energy security requires that we recognize our interdependence. Individually we are powerless to affect the global debate on energy security. None individual country is in a position to ensure its natural energy security individually. Why the United States is indispensable for us in this wide discussion on energy is because without it we will suffer a political power cut.

There is a general desire to make energy cooperation mutually advantageous and equal. But still the interests do not always coincide. What to do? The answer is to develop a model of energy security cooperation and implement mechanisms of mutual interests which may be:

- long term energy supply
- uninterrupted supply
- acceptable terms and conditions

- equality and mutual benefits
- strong dialogue and cooperation
- multilateral approach

The global nature of the energy security and the growing interdependence between producing, transiting and consuming countries require a strengthened partnership.

We should strengthen the dialogue and cooperation to meet the challenges. And our dependency on oil and gas needs to be balanced by stable and reliable supply which includes the sole role of transit countries. And I count Belarus in this group of reliable partners. The significance of transit countries becomes more and more considerable.

Clear bilateral, regional and international rules could improve predictability for transit and supply of energy, deepen interdependence and stability. This approach does not deny the right of a producer to benefit from its oil and gas reserves as well as the right of a consumer to benefit from the supply. Belarus lies on the gas transit route from Russia to Europe and is the second largest transit country for Russian gas by volume after Ukraine. Russia is the leading gas exporter to Europe and is its second important source of crude oil. And the transit country should benefit from the benefits of producer and consumer. We need clear regulatory frameworks for transit which could help us to avoid much more expensive alternative of building long roundabout pipelines.

Events of the beginning of 2007 remind us that supply in the OSCE region is not that secured as it should be. Crude oil supply from Russia via Belarus to the EU was suspended at the beginning of this year due to a price dispute. We in Belarus are not oversensitive regarding the transition of energy trade to market prices. But I have to recognize that we are sensitive regarding the bilateral agreements we have with Russia including those fixing preferential arrangements and terms subsequent upon bilateral treaty on Union State: we understand that pacts must be respected.

Belarus is among the countries most dependent on external energy sources. 80% of Belarusian energy comes from Russia. Energy cooperation between Belarus and Russia is close, although Gazprom's business strategy remains a matter of concern to my government. The sufficient and affordable availability of energy is a precondition for Belarus's competitiveness and economic growth. The government is convinced that our energy dependency cannot be further increased, and our first aim is to reduce this dependency by increasing share of carbon-free energy sources and gradual introduction of energy efficiency. By 2010 we expect to invest in energy efficiency 5 billion USD.

Belarus is in the same situation as most of the OSCE countries that are large energy importers, all of which have to face the increasing prices of oil and gas in the coming years. A key issue for Belarusian energy security is its dependency on a single supplier. In the near future Belarus can import oil from different sources, we have two refining capacities and we can afford transport expenses.

Energy security and sustainable growth are critical for the OSCE region. Belarus will remain a country actively involved in energy security in this region, primarily in the European Union. As a reliable transit country, Belarus is important for both sides of the East - West corridor.

Energy security is a global challenge. Independent national policies are not now enough to provide secure access to energy. We need to work together: producing, transiting and consuming countries.

The EU is trying to set up a common energy policy today for member-states. We agree with the EU position that mutual energy relationships between states must be predictable, transparent and reliable. But in my view the OSCE countries and not the EU have to come together as an ad hoc Committee of the Whole for energy producing, transiting and consuming countries to generate binding decisions on energy security. And the OSCE framework is relevant. The only matter which matters is our collective determination. The OSCE can not be transformed into regional OPEC. Yet, energy is an issue of importance to the development of the OSCE members. The role of the OSCE is in enhancing dialogue on energy security and generating binding decisions.

The OSCE can be a platform not only for political dialogue on this issue but also for addressing energy security issues which in the last instance may be of political nature.

Thank you.