



OPENING STATEMENT

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“Pipeline Politics: Achieving Energy Security in the OSCE Region”

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Looking at the issue of energy, it doesn't take long to realize that one of the greatest vulnerabilities of America is our dependence on foreign oil. For all of our military strength and economic power, our country would come to a near halt without foreign oil.

Today, oil alone fuels 96% of our transportation needs, and it's an indispensable part of the manufacture of millions of goods and products in this country. Despite America's extreme dependence on oil, our country only has 3% of the world's oil reserves.

After Hurricane Katrina we saw how the loss of just a fraction of refining capacity for even a few days can create enormous economic unease and cause prices to soar. It was a strong display of our vulnerability, and it showed just how devastating any long-term interruption could be for America.

America is not alone in its concern about how best to address our future energy needs. Energy security has become a priority for the European Union and its 27 member states. Together, the United States and Europe produce about 23% of the world's energy but they consume almost 40% of the world's supply. Barring any significant policy changes, dependence on foreign sources of energy is expected to rise even further in future for both America and Europe.

I'm encouraged that the U.S. and European community continue to broaden the energy dialogue on the joint promotion of collective energy security, energy efficiency and alternative energy sources, and this can only enhance our collective strength and security. I look forward to hearing more from the perspectives of our panelists today, and I thank each of you for being here today.

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