



## United States Mission to the OSCE

# **Closing Statement at 19<sup>th</sup> OSCE Economic and Environmental Forum: *Development of Sustainable Energy***

As delivered by Charles Hornbostel  
Vienna, February 8, 2011

Thank you, Madame Chairwoman, esteemed colleagues, distinguished guests,

As we stated at the outset, we recognize that the definition of energy “security” clearly differs for each state. Nevertheless, our discussions have revealed a number of common themes. The wonderfully comprehensive presentations have made several things clear. The most important is that when we say energy security, we are really talking about energy availability. Energy availability encompasses a number of factors discussed by our panelists and floor speakers, the most critical being energy efficiency, energy affordability, and energy predictability. The unifying logic for all these factors is transparency.

Energy efficiency rightfully deserves a prominent place in our discussions. What President Obama said to the American people, we can just as easily say within this forum: “Each of us has a part to play in a new future that will benefit all of us. As we recover from this recession, the transition to clean energy has the potential to grow our economy and create millions of jobs – but only if we accelerate that transition.” We have appreciated the discussions from various government, business, and NGO speakers that have shown us some of the possible paths to increase energy efficiency and reduce the environmental impact of our energy consumption.

At the same time, the discussions on efficiency cannot merely focus on technical efficiency – we must think about financial efficiency as well. By taking a holistic view, by thinking about the various inefficiencies in energy governance and how they impact on the total costs, we can seek ways to curb corruption and eliminate waste. For these too increase energy cost per unit GDP.

This brings us to the second vital component of energy availability, and thus security: affordability. One statistic repeated during this meeting is that 1.5 billion people in the world live without access to electricity. This is a glaring, concrete reminder of how dire the situation is. We can and we should do better than this. But there can be no increased access without increased affordability. And this cannot be achieved without increased transparency into the various factors that add to energy costs.

Efficiency and affordability tie in with the third key factor: energy predictability. Without predictability, it is difficult to attract investment or plan properly for the future. Transparency can lead to predictability by allowing all stakeholders in society – government, civil society, businesses, and the citizenry as a whole – to understand where their energy is coming from, what makes up its cost, and who benefits from its revenues. By maintaining a focus on transparency, we can improve energy efficiency, affordability, and predictability, and thereby enhance each state’s energy security.

The future of energy security in the OSCE region starts with this dialogue we have engaged in these past two days. We have had the chance to hear many interesting ideas about

developing renewable energy sources, improving efficiency at every point of the supply route – production, distribution, delivery, and consumption, and strengthening regional integration of networks and markets to realize greater efficiencies and economies of scale.

This, however, is merely the beginning. The OSCE has traditionally been in the lead on adopting and developing clear principles of state behavior. We can continue this OSCE tradition by, for example, endorsing the principles of EITI. This would not obligate any participating State to implement these principles or become a supporter of EITI. Instead, such an endorsement would only seek to acknowledge that these principles that we heard about today are a fantastic example of how states can truly move forward in their energy policies, improving their energy security to everyone's benefit.

Lastly, we would like to commend the field presences for their work on the ground, showing us what it means to implement our second dimension commitments in practice. Their perspective is part of what makes the OSCE unique and invaluable. We as an organization would do well to advocate for an increased focus on the good work our missions our doing to further this forum's goal of expanding energy security.

Thank you, Madame Chairwoman.

Thank you, Chair.