

25th Meeting of the Energy Charter Conference

“Development of transit corridors – a key to global energy security”

“Development of transit corridors and global energy security: the views of producing, transit and consuming countries”

27th November 2014, Astana, Kazakhstan

By Aleksandras Spruogis, Vice-minister of Energy of the Republic of Lithuania

Dear Ministers and Deputy Director-General,

Secretary General,

Dear Ladies and Gentlemen,

It is my pleasure to address you at the occasion of this Ministerial session.

This is already the 25th Meeting of the Energy Charter Conference, thus let me **express my satisfaction**, on behalf of Lithuania, **with the progress made so far in the Energy Charter activities.**

Let me begin by stressing once again **that the Energy Charter Treaty plays an important role in the context of efforts to create a legal framework for global energy security** based on open, competitive markets, and the principles of sustainable development.

The “energy corridors” between the EU and our neighbouring countries are of a crucial importance. EU neighbouring countries are major suppliers and transit countries of oil and gas.

It is important to identify and assess the economically optimal energy corridors by building new and expanding existing ones, for electricity, natural gas and hydrogen supply between the EU and neighbouring countries **as well as identifying the barriers to and benefits of connecting the different European energy systems.**

Increasing security of supply has been an overarching goal of the EU energy policy for already quite a long time. **One of the main key areas, in which the European Energy Security Strategy sets out actions to achieve this goal, is diversifying supplier countries and routes.**

Speaking about diversification, adequate EU attention needs to be given to the projects, which substantially contribute to the diversification of EU gas supply. **Diversification of sources generally improves competition and thus contributes to market development whilst at the same time enhancing security of supply.**

Lithuanian achievements in ensuring energy security contribute to its increase both in the Baltic region and at the European level. **The main Lithuanian achievements are:** the recently successfully completed LNG terminal in Klaipeda providing gas supply diversification and construction of power links with Poland and Sweden.

Adequate EU attention needs to be given to the projects, which substantially contributes to the diversification of EU gas supply. In order to get the full benefits of the fast emerging LNG export facilities in the Atlantic basin, and investment into Southern Corridor, it is necessary to have a pipeline access to the Caspian Sea region. **Such pipeline with the possible reserves of more than 8 trillion cubic meters of natural gas, has the potential to reduce EU reliance on gas imports from Russia and could increase competition in the EU gas market.**

The major strategic perspective for the Southern Gas Corridor is two-fold: to bring new gas sources to the European Union and to diversify particularly concentrated markets in South East Europe.

Ultimately the Southern Gas Corridor should create an additional supply corridor, **in addition to the existing ones from North Africa, Russia and Norway.**

Let me reiterate that EU's energy security is closely linked to the EU's 2030 Framework for climate and energy. **The transition to a competitive, low-carbon economy will reduce the use of imported fossil fuels by moderating energy demand and exploiting renewable and other indigenous sources of energy.**

The EU and the ECT need to strengthen their forces to find a mutually beneficial solution – meeting our needs for development of transit corridors and enhancing global energy security.

Thank you very much for your kind attention.