

**Welcome address delivered by Irena Degutienė, Deputy Speaker of the Seimas, at the  
Workshop of the EURONEST PA Committee on Energy Security**

Esteemed participants of the workshop,

Energy became one of the key areas of the security policy only a decade ago. This was determined by the attempts of some countries to use the monopoly of energy supply as a means of political pressure and to impose the prices of energy resources based on geopolitical reasons rather than offering a fair market price. Another important factor is the impact of the energy sector on climate change.

A decade ago, energy within the European Union was only a matter of private companies whereas, today the European Union is already moving towards the common energy policy. The European Union has not only been liberalising its gas and energy sectors and funding feasibility studies for energy links, the EU has already designed the Connecting Europe Facility with a large budget for 2014–2020 to be used for the development of infrastructure in the field of energy, transport and communications.

It has been officially confirmed that the security of supply, competitiveness and sustainable development are the three key principles of the EU energy policy.

Security of supply means reliable supply of energy resources and available alternatives of supply. The greatest risk associated with this approach arises when a country becomes dependent on a single energy supplier and is not able to control the supply. This could lead to disruptions of supply due to technical or political reasons. Therefore, close cooperation between energy suppliers and transit countries is of utmost importance for strengthening the security of supply. Lithuania and Europe need partners which can ensure secure, stable and market-based supply of energy resources. In this case, cooperation with the Eastern Partnership countries opens up great prospects.

Only competitive and efficient functioning of the energy market may help reduce dependence of the country on a single energy supplier and ensure lower prices for consumers. This means that consumers should be able to choose the best energy supplier they can at the most affordable price. Equally competitiveness is the factor which allows curbing monopolistic prices set by a single supplier. Moreover, competitiveness is a part of the security of supply as it ensures both the economic impact and access to alternative supplies of energy resources.

As for sustainable development, all developing and other economies have to face the climate change, which is largely caused by the energy sector. The international community has pledged to cut greenhouse gas emissions. This may be achieved by increasing the use of renewables and promoting energy saving. Although renewables are mainly related to the environmental objectives, the use of local resources contributes to competitiveness and enhances partial independence while minimising the need for energy imports.

These objectives may sometimes be at conflict and may be the grounds for the questions ‘whether the principle of sustainable growth can always be in line with competitiveness?’ Sufficient access to energy resources at a competitive price is a precondition for country’s economic growth and for enhancing its competitiveness and strengthening consumers’ purchasing power. Investment and energy prices cannot be too high. Given the demand for investments in renewable energy, the payback and the prices of energy generated from renewable resources, it is evident that the renewables are not a panacea for energy security that may cure all diseases. Development of

renewables is not the key priority per se, but a part of a broader energy mix that helps to strike the right balance.

There must be a complex approach to the climate change and competitiveness. Environmentally-friendly technologies in the energy sector will take precedence over other technologies, but this should be achieved in the most cost-effective way.

I hope that this workshop will provide answers to this and many other questions, such as ‘What is the potential of renewable resources?’ ‘What is needed in terms of infrastructure and investments to help renewable energy successfully enter energy markets?’ ‘What is the role of renewable energy in the balanced energy mix?’

May I welcome you once again at the Seimas of the Republic of Lithuania and wish you to have interesting presentations, meaningful discussions and solutions.