

Energy Crisis in Slovakia – A Warning for Europe
Geneva, 30th April, 2009

Ladies and Gentlemen,

Eleven European countries were confronted with an unexpected and extremely negative situation at the beginning of this year, a situation that will appear in the history books as a serious “gas crisis”. Caused by a complete stoppage of the transit and supply of gas to Europe from the Russian Federation through Ukrainian territory, the gas crisis had devastating impacts on the day-to-day course of events in the economic and social life of many European countries. Slovakia, with its strong dependence on natural gas as a primary energy commodity, was among the most affected of the countries involved. The critical events of January this year were only resolved with an incredible effort, the last of our strength and a great deal of solidarity within the European Community. However, material and moral damage along with reduced confidence and loss of credibility have remained.

Even though the situation was coped with successfully at and during its critical stages, the issue of supply security and the elimination of future crises with respect to energy supplies from “east to west” have remained topical and unresolved in many aspects. This fact we have to accentuate strongly.

All of us know that the crisis stemmed from an ongoing trade dispute between the Russian Federation and Ukraine. The dispute culminated in a complete stoppage of the gas supply to European partners. The consequences of this bilateral dispute were also felt by third parties who had absolutely nothing to do with it, with an intensity and effect never seen before, and in contradiction to all valid agreements and internationally recognised and observed rules. The crisis shook the very foundations of the previous 40 year-long tradition of safe gas supply.

Dear guests,

Allow me to show our appreciation of the approach taken by the Czech presidency of the EU and the European Commission in addressing the crisis. “January 2009” showed how important solidarity among the EU Member States is. It also proved the importance of cooperation within the EU for the benefits of its citizens in an unusual situation. Slovakia highly regards the fact that EU Member States spoke in unison during the crisis and did not let themselves be dragged in the Ukraine-Russia dispute. Such an approach undoubtedly contributed to a speedy and successful termination of the crisis. But this January brought to light other facts as well, particularly with respect to the energy sector.

Dear attendees,

The Slovak Republic considers the issue of energy security extremely important, indeed crucial, as shown by the document entitled “Energy Security Strategy of the Slovak Republic until 2030”.

Prepared by the Economy Ministry and approved by the Slovak Government last year, this extensive document analyses the current state of affairs in terms of our energy security in all of its sub-sectors. In addition, it defines a set of systematic measures, procedures and actions to improve energy security, including in these reduction in energy intensity and the support to renewable resources.

Our Energy Security Strategy had a baptism of fire in January. That we had chosen wise directions to go was proved by a number of solutions which we finally applied at the time of the crisis in order to avert the worst affects – solutions that were included in or proposed by the strategy. We simply had to speed up their implementation due to the extraordinary character of the entire situation.

In this context, I would like to mention technical measures that enabled us to reverse the gas flow between Slovakia and the Czech Republic. On a longer time horizon, proposed solutions include in particular interconnections between Slovakia and Hungary or Poland.

However, ladies and gentlemen, it does not mean that Slovakia deems the situation solved for good. The recurrence of another “January 2009” is unfortunately still a possibility.

This is one of the reasons why we have officially advertised our support for the Nabucco project. We are also monitoring and assessing alternative supplies of Caspian gas. We have discussed an Adria LNG project with the Croatian government and energy companies, which would enable gas to be supplied to Europe primarily from Libya, Algeria and Qatar through a terminal located on the Croatian coast. We are primarily concentrating on solutions that permit not only the diversification of sources, but also of transport routes.

Dear guests,

In order for us to be successful in our endeavours, Europe has to go through radical changes. It is necessary to ensure, guarantee and gradually build up basic trans-European corridors and connections not only for the supply of gas.

The case is the same with oil and electricity. All EU Member States should be required to connect to the existing basic transport and transmission systems.

In meeting the aforementioned objectives, we have to return to the time-tested principle of solidarity, which tends to be forgotten once an imminent energy threat is eliminated. The principle has not yet been written down, though it is widely discussed within the EU. I think it is imperative to make this principle a true fundamental standard that will effectively improve and aid the successful elimination of various energy crises and threats for the EU Member States. I am convinced that the drafting of a directive on energy solidarity should be the very first lesson we have learnt from the gas crisis, and this should be put immediately on the EU agenda. The directive should become binding upon all Member States.

Ladies and Gentlemen,

In the end, allow me, please, to point out one more fact whose importance for energy security is ever increasing. In the reality we live today, the civilised world is faced with the challenge of ensuring a sufficient amount of affordable electricity. Slovakia relies on serious studies and analyses prepared by experts who, earnestly, pragmatically and in an unbiased way, talk about the need to develop nuclear energy. We understand that it is an extremely sensitive topic. On the other hand, our experience tells us that progress can not be thwarted by prejudice. If we put energy self-sufficiency, environmental protection and economically acceptable prices of electricity for the sake of preserving the economic competitiveness of the entire EU into an equation entitled “the future”, the development of nuclear energy will appear as a denominator.

I believe that a matter-of-fact discussion at this forum of the problems outlined here will do nothing less than contribute to safeguarding a more stable energy environment in Europe.

Thank you for your attention.