Mr Chairman, Ladies and Gentlemen,

Southeast Europe is a region with long history, rich tradition, significant socioeconomic diversity, and strong cultural linkages among its people and with Greece. A region that has changed its political landscape drastically over the last years and which continues to evolve and adapt to today's challenges with an admirable strength and vision.

With its strategic location at the heart of Europe, it constitutes the closest neighbor of the European Union, soon to be integral part of this community. This challenging process is a catalyst for considerable investment of efforts and resources from all parties involved towards the European harmonization of policies, standards and rules and towards our common goal for sustainable development in the region.

Within this framework, the challenges are many and complex, especially those so closely related to social welfare, environmental protection and economic development, such as sustainable water and energy use, as well as the need to shift to more sustainable consumption and production patterns in our countries. To accomplish concrete and lasting results, a regional approach is required, taking into account the specific needs and challenges - therefore the key priority areas for action - that different countries face.

Greece, being a country of the region and sharing many water bodies with its neighbors is facing similar challenges and can fully relate in addressing properly these issues in practice. As a member of the EU, the European Guidelines provide the platform in which effective transboundary cooperation can be based on. In relation to water management, the Water Framework Directive could act as a guideline for international cooperation as it promotes the management of transboundary watercourses among member states as well as between EU and non-EU countries.

In this context, the "Mediterranean Joint Process" was launched in 2004, linking the WFD and the Mediterranean Component of the EU Water Initiative (Med EUWI). This process aims at the development of synergies between the EU and non-EU countries of the Mediterranean and the adoption of a common vision on water resources.
management, based on the WFD approaches and objectives and the regional specific conditions.

Existing frameworks, including bi- or multi-lateral Agreements and strategic initiatives and programmes such as the "Mediterranean Component of the EU Water Initiative" and the "Petersburg Phase II / Athens Declaration Process" for the Southeastern Europe, can provide support to cooperative activities, to build capacity and share experiences on IWRM for shared water bodies in the SEE and Mediterranean regions as a response to the targets of the Johannesburg Summit.

To meet many of the water management challenges in the SE Europe, a strong, common will is essential, based on the principles of good neighborliness and reciprocity. Management practices that are based on sustained political commitment, consensus building on shared objectives through active and meaningful participation of a wide range of stakeholders, on cooperative monitoring programs, on education, training and awareness raising are key factors to achieve our goals and induce real changes in institutional and public attitude and behavior.

As regards the energy sector in the SE Europe, our challenges are the same as those worldwide and of a threefold nature: First of all, the need to ensure energy security and access to affordable energy; the need to ensure the competitiveness of the sector from a market and a technological point of view; thirdly and most importantly, the need to do all that by also ensuring environmental sustainability and protection, through, interalia, the promotion of environmentally friendly and energy-saving technologies, cleaner fuels and wider use of renewable energy sources.

To meet these challenges, a large part of Greece's strategy in the energy sector, over last years, has been devoted to strengthening our energy ties with neighboring countries and promoting regional initiatives in our region, which can bring countries closer together and also have a catalytic effect for stability in the broader region.

Some of the most important recent developments in this field are:

- The signature this year of the Burgas-Alexandroupolis Oil Pipeline Intergovernmental Agreement, between the Russian Federation, the Republic of Bulgaria and the Hellenic Republic.
- The completion of the Turkey-Greece gas interconnector this year.
- The signing of the Intergovernmental Agreement with Italy, in 2005, for cooperation on the construction and operation of the Greek-Italian sub-sea gas interconnector.
- The upgrading of existing and the development of new electricity interconnections with Turkey, FYROM, Bulgaria and Italy to further enhance cross-boarder electricity exchange and security.
Acknowledging the need for transnational cooperation and for harmonization of the energy regulatory systems of bordering countries the energy security, Greece has also played an active role in the creation of the «Energy Community of South East Europe». The main goals of this Community are to create a stable market and a single regulatory framework capable at attracting investment; to create a single regulatory space for trade; to enhance energy security by assisting signatories to address energy poverty issues with the aim of providing power supply to all citizens at an affordable price; to improve the environmental conditions and to develop electricity and gas market competitiveness on a broader geographical scale.

These initiatives at regional level constitute only one but a very crucial component of our policies, indicating the benefits of cooperation.

Moreover, further steps toward this direction have been taken also through the Hellenic Plan for the Economic Reconstruction of the Balkans. Under the Plan, whose duration has been extended to 2011, 550 million EUROs have been committed to finance strategic infrastructural works (i.e., the modernization of infrastructure and public administration, to support democratic institutions, the rule of law and productive investments and to promote vocational training) in 7 Southeastern European partner countries (Albania, Bosnia and Herzegovina, Bulgaria, the former Yugoslav Republic of Macedonia, Romania, Serbia and Montenegro).

We have achieved a lot but there is still need and scope to do a lot more. We need to keep discussing and to develop close and mutually trusted co-operation that will bring the nations and people closer in addressing the pressing challenges of today and tomorrow.

Thank you for your attention.