



Energy Security Risks and Energy Security Agenda in Southeast Europe

Opening Remarks of Ognian Shentov, Chairman, Center for the Study of Democracy
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Ladies and Gentlemen,

I would like to briefly outline the two problem areas that could provide a relevant framework for today's discussion: 1) the current state and the factors affecting energy security and 2) energy sector governance.

1. Today's round table is not as much about the Interconnector Greece–Bulgaria as it is about the current state of energy security in Southeast Europe and in Bulgaria. The key long-term energy security vulnerabilities, which we have repeatedly pointed at in the last decade, remain:

- Widespread energy poverty;
- Higher energy intensity;
- Stalled diversification, in particular of natural gas supply; and
- Energy technology backwardness.

As for Southeast Europe, it remains an energy island on the continent (as CSD's latest Policy Brief argues) with small, fragmented markets, essentially disconnected from the European energy system. The region's energy security is also affected by the latest global energy developments: the US shale revolution, China's rise to top consumer and its focus on energy efficiency and renewables, as well as the imperatives of the energy transition.

2. Another key issue, a barrier to sustainable energy security, is the state capture of key economic sectors such as energy by private domestic interests, oligarchic groups.

And of course, state capture (which is a form of systemic political corruption) is used by foreign, in this case Russian, state interests to sabotage Bulgaria's natural gas diversification, including the Interconnector Greece-Bulgaria, and the domestic exploration and production of energy resources.

For these reasons, if we are to counter state capture, including of the energy policy, it is essential to start with securing good governance in this sector.

It is well and widely known what good governance looks like. There are numerous good practices to draw from both in the EU (whether in the member states, or in the EC directives) and in international organisations we aspire to (such as the OECD) that have codified these good practices.

The Policy Brief we are presenting today also contains a number of ideas how to manage the energy security risks Bulgaria faces. I will not dwell on these, as they will probably be brought up during the discussion.

I hope that at today's round table we will have the opportunity to further deliberate on these two problem areas.