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**STATEMENT BY MR. ALISHER FAYZIEV,
DEPUTY CHAIRMAN OF THE STATE JOINT STOCK COMPANY
UZBEKENERGO, AT THE FIRST PREPARATORY MEETING FOR
THE 19th MEETING OF THE OSCE ECONOMIC AND
ENVIRONMENTAL FORUM**

Vienna, 7 and 8 February 2011

**Promotion of common actions and co-operation in the OSCE area in the
fields of development of sustainable energy and transport**

Session 3: Effective national policies for sustainable energy

Mr. Chairperson,
Ladies and gentlemen,

Energy and environmental security as well as energy and budget efficiency are the strategic reference points of every State's long-term government energy policy. Energy security is one of the most important components of a country's national security.

The strategic goal of the Republic of Uzbekistan's government policy in the area of increasing the energy efficiency of the economy is to utilize energy resources as rationally as possible by ensuring the interest of energy producers and consumers in energy conservation and also by investing in this area and introducing innovative technology into energy production.

In the Republic of Uzbekistan, close attention is paid to the development of the energy sector. The President of the Republic of Uzbekistan's decree (No. PP-1442 of 15 December 2010) on the Republic of Uzbekistan's Industry Development Programme for 2011 to 2015 defines the main directions for the development of the sector up to 2015, providing for the realization of 44 investment projects with a total value of more than 5.2 billion United States dollars. The programme also envisages the development of alternative and renewable sources of energy such as wind, solar and hydroelectric power, and the introduction of integrated solar-thermal combined cycle electric power plants.

By implementing the measures envisaged by the programme, it is planned to ensure by 2015 the sustainable functioning and further development of energy production, the diversification of the fuel-energy balance and the achievement of savings of more than 1 billion cubic metres of natural gas per year, a 13 per cent reduction in specific expenses for fuel for the production of electrical energy and the reduction of harmful emissions into the atmosphere to 10 per cent.

These measures will contribute to an improvement in the state of the environment, increase the effectiveness of the production of electrical energy, including energy produced using alternative fuels, and reduce the harmful impact on the environment in the region.

Regarding the construction of hydroelectric power stations in the Central Asian region, we wish to point out that Republic of Uzbekistan considers that any decisions on utilizing the flow of transboundary rivers, including the construction of hydroelectric facilities, must cause no damage whatsoever to the environment and must not be detrimental to the interests of the population of countries in adjoining territories. It should be emphasized that this concerns the utilization of the resources and flow of transboundary rivers which have met the vital needs of the States and the peoples who have lived along these rivers for centuries.

According to the fundamental requirements of the United Nations conventions, when hydropower projects are implemented, authoritative international experts must provide guarantees that the construction of the hydroelectric plants will have no irreparable environmental consequences and will not destroy the existing balance of the utilization of the flow of transboundary rivers by all States located in the basin of these rivers. The feasibility studies for new hydroelectric plants in the basins of transboundary rivers must be submitted for an objective expert analysis by neutral international organizations and experts.

Every State has the right to implement projects which utilize resources from transboundary rivers, including the construction of hydroelectric plants, but under the condition that there is a thorough independent technical, economic and environmental expert analysis based on the principles of openness and the provision of full information to the interested parties.

Three extremely important conditions must be guaranteed. Firstly, there may be no lowering of the level of the watercourse or change in the water utilization regime for the countries located downstream. Secondly, the environmental security of the region, which is already very fragile, must not be undermined. Thirdly, measures must be taken to ensure the technogenic security of the planned hydropower facilities.

The leading international financial institutions, in particular the World Bank and the Asian Development Bank, support a fundamental position of this kind. In Uzbekistan too, the hope is being expressed that the attitude of these international financial agencies will be a model for other organizations and States, including the OSCE, ultimately making it possible to strengthen socio-economic security and stability in the Central Asian region.