Your Excellencies, Ladies and Gentlemen,

First let me thank Karel De Gucht and his team for your excellent work in chairing the OSCE this, not easy year. There is no doubt that you, Karel, have worked extremely hard to find solutions to some of the acute tensions within the OSCE area. I would like to thank him particularly for his tireless efforts to ease the situation in Georgia.

As ever, 2006 has seen excellent cooperation between the European Commission and the OSCE, under the lead of SG de Brichambaut. Rolf Ekeus and his team are making an enormous contribution to assist with the EU membership discussions with candidate countries. And Christian Strohal and the ODIHR team continue to make an essential contribution to the OSCE's focus on human security, the comprehensive security of people rather than states. Human security is a concept which is particularly close to my heart and which unites the EU and the OSCE approaches.

That's why we are committed to reinforcing the OSCE's work, both with financial support and by setting up projects and activities to strengthen it. Let me give you four examples - election observation, border management, energy and environmental and climate security:

1) Election observation

As you know, the European Union has significant experience in election observation – the European Commission has deployed over 50 European Union Election Observation Missions since 2000. All actors involved in election observation acknowledge the credibility and professionalism of our Missions.

That is why we read the election related comments and recommendations in the ODIHR report (which, I might say, is both impressive and comprehensive) with particular interest. Election observation is an area where we co-operate very closely with ODIHR and we will continue this co-operation. You can count on our full support in further developing and refining observation methodology. Training of observers is particularly important and I propose that

ODIHR, the CIS and the European Commission look into possibilities to work together in this area.

2) Border Management

I am happy to report that since the EU Border Assistance Mission to secure the Moldova-Ukraine border started nearly a year ago, smuggling of arms and other trafficking has decreased considerably. Our hope is that the mission will make a major contribution to resolving the longstanding conflict over Transnistria.

We are expecting similar results in another important region of the OSCE in the context of the Border Management and Drug Actions Programmes in Central Asia, which we have supported financially since 2003.

3) Energy Security

I'd also like to say a word on energy. Two weeks ago I took part in a highly important Energy Conference organised by the European Commission in Brussels. I advocated extending the principles and rules governing the EU's internal energy market to many of its energy partners – many of whom are represented here today.

The 2003 Maastricht Strategy gives the OSCE also a role in the field of energy. Working together, the EU and the OSCE can make a major contribution to energy security in the OSCE area and its neighbouring regions, and thereby to security and stability. We should particularly look at the transparency of revenues from oil and gas.

4) Environmental and climate Security

We all have come to realise that environmental and climate security is one of the key challenges we are facing.

Tragic catastrophes of recent years have left no doubt that climate change affects us all, in every corner of the world. Its economic and demographic impact will represent one of the most serious threats to our comprehensive security. And it comes not alone: water is a scarce resource in ever more parts of the world, forests recede, soils

degrade. Entire populations risk being turned into "ecological refugees" after their habitats and sources of subsistence have deteriorated irredeemably.

I therefore welcome very much the theme "Land Degradation, Soil Contamination and Water Management" chosen by the Spanish Chairmanship for the 15th Economic Forum.

5) Dialogue of cultures

I would finally like to encourage the OSCE's work on the dialogue of cultures. It is an immensely important subject in today's world where we are in danger of seeing the current clash of ignorance mutate into the much-heralded clash of civilisations. We can build here on dialogue initiatives like the Alliance of Civilizations and other similar endeavours in global or regional context.

Mr Chairman,

The European Commission will continue to actively support the OSCE in these areas and beyond. Our shared commitment to human security makes us ideal partners - development, security and human rights are intertwined: achieving progress on one means achieving progress on all.

My thanks again to Karel and all the best to you, Miguel-Angel, for a successful Chairmanship in 2007.