

31st PERMANENT HIGH LEVEL GROUP

Vienna
17 December 2013

1. The meeting was chaired by Tatjana Jovanović on behalf of Serbia as Presidency in office and Mr. Fabrizio Barbaso for the European Union as Vice-Presidency.
2. The Permanent High Level Group approved the agenda.
3. The Secretariat presented a state of play in transposition of Third Energy Package in Contracting Parties.
4. The representatives of Contracting Parties, speaking about Third Energy Package, gave an update on the current efforts at national level and next steps showing that the relevant provisions are expected to be transposed in time in most of the Contracting Parties. Ukraine informed about preparatory activities to transpose Third Energy Package in the area of electricity in the course of 2015 and explained some difficulties related to transposition of the Third Energy Package in the area of gas.
5. Permanent High Level Group endorsed Ms Vesna Borožan, Mr Walter Boltz, Mr Fabrizio Donini-Feretti, Mr Volodymyr Makukha and Mr Goran Svilanović as members of High Level Reflection Group (HLRG), earlier designated by its chairman Prof. Jerzy Buzek as it is envisaged by a conclusion of a last Ministerial Council meeting. PHLG invited Prof. Buzek to associate the Ukrainian Presidency to the work of the HLRG as an observer. PHLG took note that the representative of the Former Yugoslav Republic of Macedonia will inform the PHLG about the Government's position by the end of 2013.
6. The Commission informed PHLG about the working plan of the HLRG.
7. The Secretariat presented the state of implementation of the Wholesale Electricity Market Action Plan including balancing with latest news on activities of CAO and initiatives for establishing the balancing market.
8. The Secretariat presented the issues on the agenda of Belgrade Ministerial Council, which require follow up of PHLG, as follows: implementation of Energy Efficiency Directive, further activities to facilitate the promotion of PECIs including adoption of rules from Regulation 347/2013 and development in an agreement initialled by Serbian and Kosovo*¹'s electricity TSOs. The representative of Bosnia and Herzegovina reported on the steps envisaged by her authorities to remove the breach declared by the Ministerial Council. The representative of Ukraine informed the PHLG about transmission of a letter to the Commission regarding proposed adaptations of the LCP Directive.
9. The Commission reported about next steps in the negotiations with Georgia.

*This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence

10. The Secretariat presented the event calendar for 2014. It moreover formulated some proposals concerning the possible adoption of new acquis in 2014, besides the adoption of Network Codes governed by the PHLG's Procedural Act of 2012. Representative of Serbia presented several aspects related to the potential adoption and transposition of Regulation 994/2010 and Decision 994/2012. The representative of the Former Yugoslav Republic of Macedonia pointed to the difficulties in internal transposition resulting from the lack of direct effect of Regulations in the Energy Community.
11. The Commission presented its recent communication on state intervention in the electricity sector. Contracting Parties were invited to report about the adoption and implementation of their NREAPs, about their view on Commission's communication and other open issues on PHLG meeting in March 2014.
12. Serbia as Presidency summarized main achievements during 2013 and Ukraine presented its priorities for a Presidency in 2014.

The adoption of these conclusions follows the Rules of Procedure, as amended.

Done in Vienna on 17 December 2013

For the Permanent High Level Group,


THE PRESIDENCY