

## Conclusions

### 17th Permanent High Level Group Zagreb, 30-31 May, 2006

1. The EC chair welcomed the participants to the PHLG meeting and thanked the Presidency for hosting of the meeting in Zagreb. Croatia in its capacity of Presidency in office gave a brief introduction on the past achievements of the presidency period.
2. The European Commission expressed gratitude for accepting to convene the Ministerial Council meeting on 8 June 2006, in Luxembourg, and underlined the importance of participation of the Ministers from SEE at this meeting. The PHLG was informed about general logistics aspects.
3. The Commission provided further an overview of the main items related to the agenda of the Ministerial Council meeting scheduled for 8 June 2006 (state of play with respect to the progress on the ratification of the Treaty; status on implementation of the *acquis*; security of supply and mutual assistance; social issues; presentation of the priorities for the upcoming Energy Community presidency). The agenda of the Ministerial Council meeting will be circulated by Friday, June 2<sup>nd</sup>.
4. Logistics and administrative aspects regarding the participation of the Ministers from SEE region are within the responsibility of the respective countries' delegations (hotel arrangements, interpreter and flight bookings). iECS's procedure on the Travel Reimbursement will be applied for the eligible participation at the Ministerial Council meeting.

5. **The Commission distributed a document with respect to the Ministerial Council logistics.**
6. **The Parties that have not yet ratified the Treaty reported on the state of the play to this respect. The EC emphasised the importance of the Ratification and asked the Parties to proceed further with the ratification procedure.<sup>1</sup>**
7. **The Commission informed the PHLG that the European Parliament gave its assent on the Treaty and the Council of the EU approved the Treaty on 29 May, 2006.**
8. **iECS presented a document on the Observers' status interpreting the provisions of the Energy Community Treaty. Parties were requested to review and comment on the presented document for respective adoption at the next PHLG meeting.**
9. **iECS presented an overview of the priorities and current status on the development of the Road Maps. The iECS, in consultation with the EC, shall draft the outline (structure) of the Road Maps for the next Athens Forum on 22 – 23 June 2006 with the aim to assist the Contracting Parties in preparing their road maps. The national roadmaps prepared by the Contracting Parties should then be transmitted to the iECS and the EC, with a view to be presented at the Ministerial Council meeting in November 2006. The EC stressed the importance of obtaining political consensus in the process of implementation of the Road Maps.**
10. **The EC stressed the importance of regional investments based on and objective, transparent and impartial regional criteria. The PHLG expressed concerns regarding the development of the regional**

---

<sup>1</sup> Since Turkey is not a Party to the Energy Community Treaty, any decisions and/or recommendations, related to legally binding documents, are not binding for Turkey".

investment criteria by a consulting firm as proposed by the iECS. The Commission and the Secretariat will further elaborate this issue.

11. The Commission reported on state of play regarding the quick GIS update. The PHLG asked the Commission to investigate whether it is feasible to have a regional consultative workshop before the first terms of engagement with the consultant will have been defined. Albania put forward the idea of combining the update of the GIS study with the establishment of the task of drawing of the regional investment criteria. The Commission will discuss these matters with the World Bank. Bulgaria asked that the consultant visit the country and interview the stakeholders.
12. The iECS presented initial views regarding the establishment of the Energy Community institutions (ECRB) and associated agencies (REIC, REEC, IMO) concluding that, at this stage of development of the Energy Community, since the Treaty was not yet in force, it would be premature to proceed with additional administrative agencies. The Greek delegation insisted that, as the treaty mentions that the ECRB meets in Athens, it should be supported by a permanent structure.
13. Updated version of the Memorandum on Social Issues has been discussed. It has been concluded that the Parties will comment in writing to the Energy Community Secretariat and the Commission by the end of June 2006. The iECS together with the Commission will redraft the document and send the revised version of MoU to the Parties. The aim is to have the MoU on Social issues endorsed by the next Ministerial Council in November 2006.
14. iECS presented a facts finding report on the acquis implementation; and country reviews. The outcome of the study on market obstacles currently being carried out by SEETEC should be taken into

consideration with the view to co-ordinating existing initiatives and avoiding eventual overlaps. The PHLG asked to get a copy of the report in advance to the Athens forum.

15. iECS outlined preparatory, organisational aspects as well as subjects covered in the Country Missions in an overview presentation. Contracting Parties expressed their appreciation of the approach chosen by iECS for presenting the state of play in the SEE region and confirmed further support to the iECS experts.
16. As a final comment on the reports presented by iECS, PHLG requested the iECS to prepare a summary paper (in a table format), including country per country as well as regional information, focusing on missing and pending aspects regarding the implementation of the *acquis communautaire* as is set out in the Treaty. The Contracting Parties will send editorial comments till June 10, 2006. The iECS will review, change and summarise the findings in proposed table format shortly afterwards.
17. Romania presented a report on the Development of the Romanian Electricity Market. The Presidency in office underlined the advanced status of the market development of Romania.
18. iECS presented a draft document of the Gas Transition Strategy. The Secretariat informed that the draft provides a basis for discussion. Comments sent by the Parties on the previous version should be taken into consideration when drafting the new version.
19. iECS presented the draft paper on Guidelines for New Gas Infrastructure Investment (GGIIR). PHLG asked iECS to send the summary of the presented paper to the PHLG.