

## 2<sup>nd</sup> Meeting of the Energy Community Mini-Gas Forum

### Adopted Conclusions

Vienna, 11 May 2007

#### I. Introduction

1. The agenda was adopted by the Forum.

#### II. Regional Gasification Study

2. Economic Consulting Associates (ECA) presented the interim results of the Regional Gasification Study led by the World Bank and KfW. The interim report will be circulated to the participants and made public on the homepage of the Energy Community. The preliminary results clearly indicate the need for investments in the SEE region.
3. The Forum concluded that the major pipeline projects addressed in the Gasification Study and intended to serve as the basis for supplying the region would need to integrate / take into account the results of the Gasification Study (possible connections to the markets of the Energy Community with a view to develop competition and security of supply). The project developers of TAP mentioned this was done and the Forum took note of the fact that no regional assessment has been done in the case of IGI by now. IGI noted that it would consider this option and IGI project developers informed that they are available for contacts with ECA and the authors of the study to share detailed information on the subject.
4. The Forum shared the conclusions on the institutional and regulatory requirements presented by the interim report.
5. The Forum noted that the contract for phase II of the Study has been awarded to ECA and will be financed by World Bank.
6. The Forum agreed on the next steps of the Gasification Study proposed by World Bank/ECA and expressed its interest in fruitful cooperation: a draft Final Report of the study – including phase 2 – is foreseen by the end of 2007, preliminary results will be presented to the next Forum.
7. The Chair invited firmly the Contracting Parties to give feedback to ECA with regard to the interim report. All contracting parties did so.

#### III. Regional Natural Gas Projects

8. The Mini-Gas Forum welcomed the presentation on the progress of the currently ongoing projects of potential impact on the SEE region which are “Greece – Italy Interconnection Project” (IGI, Poseidon), “LNG Terminal in the Adriatic Sea” (Krk), “Nabucco Gas Pipeline Project”, “Trans Adriatic Pipeline Project” (TAP), IAP, PEOP and “Georgia Ukraine European Union gas pipeline”.

9. The Forum concluded that regional infrastructure projects will strengthen security of supply, and contribute to the competitiveness of natural gas in relation to alternative fuels, support competition in gas supply and increase gas availability and thus access to natural gas in the region.

#### **IV. Gas Regional Initiative South East (GRISE)**

10. The co-chairman of the European Regulators Group for Electricity and Gas (EREG) introduced the concept and scope of the EREG Gas Regional Initiative for South East.
11. EFET strongly welcomed the set up of a Regional Process similar to the EREG Regional Initiatives for the relevant area of the Energy Community to be chaired by the ECRB.
12. The Forum agreed to set up a Gas Regional Initiative focussed on the Western Balkans to implement the recommendations from the Gasification Study and to improve practical cooperation between all parties.
13. The Forum underlined the importance of the creation of a Western Balkan Ring and invited the European Commission to reflect on financing possibilities, in co-ordination with the donors. A plan will be presented on options, led by the World Bank. The Forum noted the “public goods” nature of investments in the ring, but underlined the non-economic benefits of increasing security and trust.

#### **V. Extension of the Acquis Under the Treaty – Regulation 1775/2005 – New Gas Infrastructure Investments Guidelines (NGIIR)**

14. The European Commission presented its views as to the document of the New Gas Infrastructure Investments Guidelines and initial views on the possible implementation of Regulation 1775/2005/EC of the European Parliament and of the Council of 28 September 2005 on conditions for access to the natural gas transmission networks.
15. The Forum noted its expectations to present the draft document as soon as possible for comments and discussion at the next Forum. GIE, EFET and Eurogas expressed their interest of being involved in the consultation process.

#### **VI. Extension Of The Acquis Under The Treaty - Directive 2004/67/Ec**

16. The European Commission presented the state of play in the EC with regard to the measures to safeguard security of natural gas supply, in particular in the light of the recent Energy package and European Spring Council.
17. The Forum welcomed the approach and expressed its support to the process of implementation.

#### **VII. Energy Community Regulatory Board**

18. The Forum was informed about the completion of the establishment of the Energy Community Regulatory Board (ECRB) and its role and tasks.
19. The Forum welcomed the ECRB to be fully operational and expressed the readiness for cooperation.

### **VIII. Energy Community Report On The Implementation Of The Requirements Of The Treaty**

20. The Secretariat presented the current status regarding the progress of the implementation of the Directive 2003/55/EC in the Contracting Parties. The reports on the progress of the implementation of the requirements of the Treaty with regards to natural gas are expected to be presented at the Ministerial Council meeting in June 2007.
21. The Forum encouraged all Parties to fulfil their commitments under the Treaty, especially on key issues such as unbundling and market opening.
22. The Forum welcomed the presentation on the progress of the implementation of the Directive 2003/55/EC by the Secretariat and expressed its support for the creation of the single energy market.

#### **Miscellaneous**

23. The next Gas Forum will be held on 9<sup>th</sup> November 2007.