



EU4Energy



PRESS RELEASE

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EU4Energy High-Level Policy Talks focus on Moldova - Ukraine electricity market integration

Today's EU4Energy High Level Policy Talks bring together Moldovan and Ukrainian stakeholders to discuss the path towards further electricity market integration between the two countries in line with the EU energy acquis. The event is dedicated to the harmonization of provision and management of access to interconnection transmission capacities and brings together key stakeholders from the Ministries responsible for energy and National Regulatory Authorities from Moldova and Ukraine, Verkhovna Rada of Ukraine, Market Operator in Ukraine and transmission system operators Ukrenergo and Moldelectrica.

Both Moldova and Ukraine are currently going through the process of reforming their wholesale electricity markets. As part of this process, it is important to ensure that the same, Energy Community acquis compliant, rules apply to cross-border electricity transactions in the two neighbouring countries.

"An effective, transparent and harmonized approach is required for electricity to flow seamlessly across borders and to ensure all market participants, including households, can fully exploit the benefits of cross-border electricity trade. Both countries stand to benefit from increased security of energy supply, while Moldovan consumers and industry additionally stand to gain from potentially lower electricity prices as a result of increased competition on the electricity market. The Energy Community Secretariat including via the EU4Energy Governance Project will continue to support the two countries in this endeavour", – said **Janez Kopač**, Director of the Energy Community Secretariat.

"Ukraine and Moldova do not need to wait for market integration to benefit from cross border trade. So what could Ukraine and Moldova do now to reap benefits? Start by addressing three issues. First, ensure that the wholesale market designs they plan to introduce deliver undistorted prices. Second, open their national retail markets to competition. Third, jointly develop sound cross-border capacity calculation and allocation methods that maximize trading opportunities between markets", - said **Jose Manuel Hernandez Martinez**, First Secretary, Competition policy and Energy Markets, EU Delegation to Ukraine.

Joint and coordinated cross-border capacity allocation is also a prerequisite for future market coupling between Moldova and Ukraine's Integrated Power System (IPS) synchronized zone. Moreover, increased coordination between EU neighbours and Ukraine's Burstyn Island regarding cross-border capacity calculation and allocation rules would also enable much needed trade with the EU.

* The EU4Energy Initiative covers all EU support to improve energy supply, security and connectivity, as well as to promote energy efficiency and the use of renewables in the Eastern Partner countries Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. It does this by financing projects and programmes that help to reform energy markets and to reduce national energy dependence and consumption. Over the longer term, this makes energy supply more reliable, transparent and affordable, thus reducing energy poverty and energy bills for both citizens and the private sector.

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The European Union is made up of 28 Member States who have decided to gradually link together their know-how, resources and destinies. Together, during a period of enlargement of 50 years, they have built a zone of stability, democracy and sustainable development whilst maintaining cultural diversity, tolerance and individual freedoms. The European Union is committed to sharing its achievements and its values with countries and peoples beyond its borders.