

**Meeting of the Central and South-Eastern European Connectivity (CESEC)  
High Level Group in Bucharest on 28 September 2017**

**Conclusions**

The High Level Group

- (1) Welcomes the signature of the Memorandum of Understanding complementing the Central and South-Eastern European Connectivity (CESEC) initiative with a Joint approach on electricity market, energy efficiency and renewable development as well as the concrete actions formulated to promote cost-effective renewable energy, energy efficiency and to achieve an efficient, well interconnected electricity market in the CESEC region and promoting growth, jobs investment and tackling energy poverty.
- (2) Stresses the need to make rapid progress in the implementation of the five priority electricity market coupling projects between EU Member States and Energy Community Contracting Parties as well as the six priority electricity lines in view of developing an integrated, larger and interconnected regional electricity market, in line with the common acquis of the EU and the Energy Community.
- (3) Emphasises the importance of CESEC members' active engagement to jointly deploy the renewables potential of the region.
- (4) Underlines the importance of energy efficiency as a tool to increase the security of energy supply and reduce greenhouse gas emissions, and in particular underlines the potential of energy efficiency as a driver for promoting growth and jobs.
- (5) Underlines the importance of leveraging the use of all sources of funding to ensure investments in sustainable energy and in energy efficiency.
- (6) Welcomes the progress in implementing the CESEC Memorandum of Understanding on Joint approach to address the natural gas

diversification and security of supply challenges and its Action Plan 2.0, noting the need to complete all remaining action points in the coming months.

- (7) Welcomes the completion of the works in November 2016 on the gas interconnector Bulgaria-Romania, a critical cross-border connection of the Bulgaria-Romania-Hungary-Austria (BRUA) gas transmission corridor.
- (8) Welcomes the progress of the procurement of compressor stations for system development in Romania on the BRUA gas transmission corridor, with the aim to ensure effective bidirectional connections between Bulgaria, Romania, Hungary and towards Austria.
- (9) Welcomes significant progress made on the Interconnector Greece-Bulgaria as well as the Interconnector Bulgaria-Serbia, now being developed according to the Project Plan agreed by the two sides.
- (10) Welcomes legislation in Romania and Croatia to enable free flow of gas to the regional markets while noting that legislative processes still need to be finalised in both Member States.
- (11) Welcomes the signature on 19<sup>th</sup> of July 2017 of the Memorandum of Understanding in support of the natural gas Vertical Corridor between Greek, Bulgarian, Romanian and Hungarian transmission system operators together with ICGB AD, the project promoter of the Interconnector Greece-Bulgaria gas pipeline aiming at rendering operational the joint statement of the respective countries signed in Budapest in September 2016.
- (12) Welcomes the enabling of physical reverse flow at the Interconnection Point Kulata (Republic of Bulgaria) – Sidirokastron (Hellenic Republic) as of the 1<sup>st</sup> of June 2017.
- (13) Stresses the urgent need to progress towards enabling physical reverse flow on the Trans-Balkan pipeline system in accordance with the Memorandum of Understanding signed in September 2016 between

transmission system operators of Greece, Bulgaria, Romania and Ukraine.

- (14) Welcomes the launch of the two sub-working groups for the implementation of the activities and areas of cooperation provided by the Memorandum of Understanding in support of the natural gas Vertical Corridor towards the realization of this Corridor and, respectively, for determining the best course of action and implementing the necessary measures towards enabling physical reverse flow on the Trans-Balkan pipeline system.
- (15) Acknowledges the conclusion of the Memorandum of Understanding between the Romanian and the Serbian gas transmission system operators and encourages the progress in implementing the plans for their interconnection.
- (16) Welcomes the initialling of the draft Connecting Europe Facility Grant Agreement entailing a grant for works in amount of EUR 101.4 million for the development of a scalable floating LNG terminal in Krk (Croatia) which will bring access to new sources of supply in the region.
- (17) Welcomes the signature of the Memorandum of Understanding on the 20<sup>th</sup> June 2017 between the Republic of Croatia and Hungary on reverse flows, enabling the bidirectional use of their interconnection point and setting the stage for LNG deliveries from Croatia to Hungary in the mid-term.
- (18) Welcomes the progress of the construction phase of the Trans-Adriatic Pipeline between Greece and Italy through Albania and with it the overall progress towards the opening of the Southern gas Corridor, which will lead to energy sources diversification and enhancement of energy security in the region.
- (19) Welcomes declarations, signed earlier this year by National Regulatory Authorities of Greece, Hungary, Poland and Romania, paving the way

for the implementation of EU gas network codes at interconnection points between EU Member States and Energy Community Contracting Parties.

- (20) Stresses the need for Interconnection Agreements to be signed for all remaining interconnection points between EU Member States and Energy Community Contracting Parties, within Energy Community and at interconnection points with Turkey.
- (21) Adopts the updated CESEC Gas Action Plan 2.1 setting out: (i) a progress review of Action Plan 2.0 agreed in September 2016; and (ii) national roadmaps for improving trading arrangements in the region.
- (22) Takes note of the work on licensing regimes supporting the integration of gas and electricity markets undertaken by the Gas Regional Initiative South-Southeast as well as the Energy Community Secretariat and supports that this matter is further developed in the CESEC framework.
- (23) Agrees to set up a CESEC working group to investigate the application of Title III of the Energy Community Treaty to develop specific regional rules to overcome barriers in the CESEC gas and electricity markets.
- (24) Welcomes the intention of the incoming Bulgarian Presidency of the Council of the EU to consider regional cooperation a priority and specifically CESEC.
- (25) Takes note of Hungary joining the Memorandum of Understanding of Western Balkan 6 on regional electricity market development.