

5TH PERMANENT HIGH LEVEL GROUP MEETING

DRAFT CONCLUSIONS

MONTENEGRO, 28 June 2007

- (1) The PHLG was presented a draft report established by the ECS on the Implementation of the Treaty and approved it.
- (2) The PHLG was informed by UNMIK on the on-going discussions on the operation of the Inter TSO compensation mechanism between UNMIK and Serbian TSO. The Commission indicated its willingness to undertake some technical consultations and to appoint an independent expert to assess some aspects of the ITC mechanism. A status report will be presented to the next PHLG and SETSO TF meetings for discussion.
- (3) The PHLG thanked the Director for the Oral Report on the Implementation of the Work Programme (2007), adopted at the Skopje Ministerial 2006.
- (4) The PHLG approved and decided to forward the 1st Annual Report¹ on the Activities of the Energy Community to the Ministerial Council for formal adoption.
- (5) The PHLG notes that the requirements of Articles 20 and 29 on respectively renewables and security of supply are fulfilled. The Contracting Parties which have not submitted the statement so far are invited to do so by mid July 2007.
- (6) The PHLG recommended to the Ministerial Council that Maribor be chosen as the seat of the Gas Forum.
- (7) Energy efficiency: With regard to Article 35 of the Energy Community Treaty, the PHLG agrees to the establishment of a task-force to produce a detailed plan for tackling energy efficiency issues in the Contracting Parties of the Energy Community. This Task Force may associate Observers as active participants. The PHLG asked the Secretariat to make a proposal on the composition and work of the Task Force.
- (8) With regard to the Social Memorandum, the PHLG agreed that the Ministerial Council will agree on the substance of this Memorandum. The latter will be then open for signatures as from October 2007, possibly through the organisation of a Conference on Social Issues. The Commission informed that it is ready to sign on behalf of the European Community.
- (9) The PHLG agreed that the Secretariat will produce an options paper for the establishment of a forum in charge of addressing social issues.
- (10) The PHLG recommended to the Ministerial Council that the draft Ministerial Council Agenda and the draft Ministerial Council Conclusions (including the Annex) be adopted.

¹ Representative of the former Yugoslav Republic of Macedonia expressed a reservation in respect to usage of the reference instead of the constitutional name of the country which is Republic of Macedonia.

- (11) The PHLG approved the efforts to proceed efficiently with the recruitments within the Secretariat. In that respect, it took note that staff contracts will include an annex copying the text of the draft Staff Regulations with the explicit reference that this annex will be valid up to the date of entry into force of the Staff Regulations to be adopted by the Ministerial Council. After this date, the adopted Staff Regulations will apply.
- (12) The Commission raised the question of the time frame for the preparation of Ministerial Council meetings. The PHLG agreed to analyse possibilities provided by the Internal Rules of Procedure of the Ministerial Council of the Energy Community (Procedural Act No. 2006/01) to improve the timely preparation of meetings.

These Conclusions are adopted.

For the Permanent High Level Group,


THE PRESIDENCY 28 jun 2007