REPORT
TO THE 5th MINISTERIAL COUNCIL OF THE ENERGY COMMUNITY
BY THE CHAIRPERSON OF THE ENERGY EFFICIENCY TASK FORCE
ON CURRENTLY UNDERTAKEN STEPS

I. BACKGROUND AND SCOPE OF THE REPORT

Legal Background

Based on the Treaty establishing the Energy Community (Article 35) and following the concrete decision by the Ministerial Council, the Energy Efficiency Task Force (EETF) was established in December 2007. It became effective upon the adoption of its mandate and election of its chair by a decision of the Ministerial Council (Belgrade, 18 December 2007).

The EETF – following its mandate – is supposed to periodically report on the progress of its work along the lines of its Work Programme (attached).

Thus, this is the second progress report for the work of the Task Force – the first one was presented for the Ministerial Council meeting in June 2008.

The Work Programme of the EETF as Background for Reporting

As decided, the Task Force should produce a detailed plan for tackling Energy Efficiency. This should entail in particular four tasks, as reflected in the Work Programme:

- Task 1 – it concerns presentation of a comprehensive state of play of the situation among Contracting Parties and observers in terms of Energy efficiency;
- Task 2 - Preparation of a generic (non customized) Action Plan to advance energy efficiency in the Contracting Parties - thus, the concrete areas where improvement is needed and/or feasible shall be identified;
- Task 3 concerns initial analysis related to the identification of the EU legislation on energy efficiency that could be extended to the Energy Community and would produce largest impact. This should include an analysis of the extent to which the Contracting Parties will be able to take up the legislation, possible consequences, as well as a realistic timetable;
- Task 4 is related to Development of a Communication and Awareness Raising Campaign plan Propose immediate concrete actions (together with a timetable and a budget estimation) allowing the improvement of the energy efficiency in the region.

Scope of the Current Report

As information on Task 1 was provided in details at the Ministerial Council meeting in June 2008, this report reflects the activities of the Energy Efficiency Task Force with a particular focus on the undertaken steps on tasks 2 and 3 of the Work Programme.

However, reference to the other two tasks shall be also made in the general context of the presentation.
II. PREPARATION OF A GENERIC ACTION PLAN

Following the deliverables and the time schedule, envisaged in its Work Programme, the EETF at its third meeting on 23.09.2008 discussed a template of a Generic Action Plan on the ground of a proposal by the designated task leader.

The key decisions of the EETF in this aspect were the following:

1. Further to the needs for some editorial changes, the template was agreed by the EETF. It was decided that the plans shall be customized by each Contracting Party who shall decide on the approach, while keeping the template frame.

   The template is attached to this report for information (Attachment 1).


3. The EETF considers that the first Plan will be a test to see if the savings will accrue as planned.

Missing or incomplete statistical data available was indicated as a potential bottleneck in the process of preparation of the Action Plans. Further, when preparing the Action Plans, a wide variety of institutional capacity in the Contracting Parties is expected - this turned to be also the experience of the EU Member States.

The Task Force noted the readiness of the European Commission to provide concrete assistance to the Contracting Parties with clarifications on the interpretation of the energy efficiency directives, when needed.

III. ENERGY EFFICIENCY ACQUIS – POSSIBLE EXTENSION IN THE SCOPE OF THE TREATY

At its meeting on 23.09.2008, the Energy Efficiency Task Force discussed also a proposal on Task 3 of the Work Programme, “Analysis of energy efficiency related EC Directives and their impact on the Energy Community, if transposed”.

A concrete template and the approach was presented. The demand side management is the focus of the target. During the discussions it was agreed that at this stage neither the expected results nor the financial burden for achieving them can be feasibly forecasted. However, these shall be discussed at a later stage.

The template was adopted by the EETF as a concrete basis for further activities in analyzing the effect of the related EC directives if transposed. Minor editorial changes shall be operationally introduced with the assistance of the European Commission.

The EETF also noted that the Contracting Parties, when dealing with the issue, can benefit from the experience of some of them (Croatia in particular) as well as of some EU member states.
When preparing the Action Plans, a wide variety of institutional capacity in the Contracting Parties is expected, as it proved to be in the EU Member States. She encouraged the Contracting Parties to ask assistance from the Member States in the preparation of the Action Plans. The DG TREN also invited the TF members to ask for clarifications on the interpretation of the energy efficiency directives, when needed.

IV. OUTLOOK FOR THE FIRST HALF OF 2009

1. Event Calendar of EETF by June 2009

2. Targeted achievements

V. CURRENT CONCLUSIONS

It is evident that the indicated activities of the Energy Efficiency Task Force so far follow its mandate as outlined by the Ministerial Council of the Energy Community as well as the envisaged time line.

Thus, its work and the established conditions for effective administrative and substance support raise realistic expectations for concrete outcome along the Work Programme.

In parallel, the Contracting Parties are expected to start more intensive work internally as to face the necessity for institutional strengthening to the extent needed.

The envisaged accompanying events within the Energy Community calendar, as well as the operational support on a Contracting Party level by the European Commission, the Donors and the Secretariat, shall further contribute for meeting all deadlines in efficient manner.