

Cooperation Arrangement

BETWEEN

The Council of European Energy Regulators

AND

The Energy Community Regulatory Board

AND

The Association of Mediterranean Energy Regulators

The Council of European Energy Regulators, hereinafter referred to as "CEER",

the Energy Community Regulatory Board, hereinafter referred to as "ECRB",

and the Association of Mediterranean Energy Regulators, hereinafter referred to as "MEDREG",

hereinafter individually or jointly referred to as "Side" or "Sides",

- (1) Underlining the close links between objectives, energy systems, as well as markets across the Euro-Mediterranean region calling for harmonised regulatory rules and a certain set of aligned legislation,
- (2) Recognising the value and benefit of past and ongoing cooperation and exchange activities, in variable configurations, between the three associations, as well as a shared desire to reinforce and formalise this experience,
- (3) Recalling CEER's objectives of promoting a broad and representative vision of Europe's energy markets; promoting the development of efficient and competitive internal markets for electricity and gas in Europe; setting up cooperation, information exchange and assistance, providing a framework for the discussion of regulatory issues and exchange of experience; and cultivating relations with similar associations outside the EU area,
- (4) Recalling the mission of ECRB as an institution of the Energy Community Treaty to create an integrated regulatory space that is harmonised with the pan-European energy market and regulatory practise by implementing the *acquis communautaire* on energy, respecting national specificities of Contracting Parties and without diminishing the independence of national regulatory bodies; and enhancing the security of supply to ensure stable and continuous energy supply that is essential for economic development and social stability,
- (5) Recalling MEDREG's objective of promoting greater compatibility of the energy markets and legislations and seeking progressive market integration in the Euro-Mediterranean region; fostering cooperation, information exchange and assistance among its members; and providing a permanent platform not only for sustainable energy regulation but also a competitive and inclusive Mediterranean energy market,
- (6) Recalling the Euro-Mediterranean Partnership Process and the European Neighbourhood Policy,

have decided to sign the hereafter Cooperation Arrangement (CA).

The Sides have the following understanding:

1. Objective

- 1.1 By this CA, the Sides declare their willingness to cooperate, and work jointly on promoting the integration of energy markets in Europe and the European neighbourhood and creating a streamlined regulatory framework.
- 1.2 The Sides, within the framework of this CA, cooperate in good faith.
- 1.3 The Sides seek to promote their cooperation in the following fields:
 - Exchanging best practices in the field of energy market regulation;
 - Promoting capacity building, joint events and training on regulatory topics;
 - Strengthening existing bilateral and trilateral cooperation mechanisms;
 - Developing joint reports where feasible and beneficial for all Sides.

2. Fields of cooperation

Exchanging best practices

- 2.1 The Sides recognise the benefits of sharing best practices across the regulatory community. Sharing of best practices boosts efficiency and competence of regulatory bodies, identifies and fills knowledge gaps, enables better decision making and enhances regulatory know-how.
- 2.2 As all Sides share some objectives, such as promoting the integration of the energy markets, providing a framework for the discussion of regulatory issues and exchange of experience, and fostering cooperation with neighbouring regulatory bodies, and as all Sides face similar challenges across the Euro-Mediterranean region, they envisage sharing and exchanging amongst them best practices and knowledge.
- 2.3 The most common formats for sharing of best practices and knowledge are joint workshops, seminars and other similar initiatives, though other formats are conceivable.

Promoting capacity building on regulatory topics

- 2.4 The Sides understand that good regulation requires energy regulators to have both the powers and the resources to carry out their work effectively. Capacity building is a powerful tool to strengthen regulatory performance.
- 2.5 The Sides intend to share their experience and know-how on specific regulatory issues.
- 2.6 Capacity building should primarily be achieved by openly sharing regulatory and administrative practices with each other, including during mutual visits. Regulatory knowledge should also be shared by enabling, where beneficial and feasible, attendance of each other's training activities or similar events.

Strengthening existing bilateral and trilateral cooperation mechanisms

- 2.7 The Sides recognise the benefits and synergies of their past and current cooperation activities, such as joint workshops, conferences, round tables and reports.
- 2.8 The Sides express their desire to continue cooperating with each other and express their interest in investigating in new areas of cooperation, such as organizing a yearly round table.
- 2.9 Existing cooperation mechanisms should be built upon and new areas for cooperation be explored so as to explore opportunities for future joint activities in the spirit of this CA.
- 2.10 Depending on the individual topics and activities identified, the cooperation mechanisms may proceed through variable configurations of the Sides (for example, bilateral, trilateral or even multilateral, involving other organisations).

Developing joint reports

- 2.11 The Sides recognise the importance of having access to appropriate information to effectively monitor energy markets and to take sustainable, evidence-based and effective decisions. Reports and surveys which include analyses of regulatory topics based on robust information are essential tools for regulators, allowing them to draw representative conclusions. In particular, reports with a wider geographical scope enable regulatory bodies to compare different systems and approaches.
- 2.12 The Sides understand that jointly developed reports can strengthen the position of regulatory bodies in the regulatory community.
- 2.13 The Sides intend to build on current joint reports and expand it, where beneficial and feasible, to additional areas.

3. Expenses

- 3.1 Each Side bears any and all of its own expenses which may arise in the course of the implementation of the CA.

4. Implementation

- 4.1 In order to implement the CA, each Side designates a point of contact.
- 4.2 All points of contact should meet (either physically or virtually) at least once a year to discuss and monitor ongoing activities and develop a set of concrete joint activities for the following year. All points of contact should report to their respective organisations and coordinate the activities within their institutions.
- 4.3 In case only two points of contact meet, the third point of contact should be informed about the content of the discussions and the proposed activities. The third point of contact can comment on the developed list. Consensus on the proposed activities should be sought.

5. Amendments

- 5.1 This CA may be amended by consent among the Sides in written form at any time. Such amendment should come into effect the day after it has been signed by all Sides, unless otherwise decided.
- 5.2 The Sides should consider possible amendments to this CA at the request of any of the Sides.

6. Termination of cooperation

- 6.1 The CA should be reviewed by all Sides every three years. The review should also include the scope and the fields of cooperation of this CA.
- 6.2 Any of the Sides may withdraw from cooperation at any time by giving at least thirty days prior written notice to each other, with effect on the date of receipt of the notification by the last of the Sides.
- 6.3 In the event of withdrawal from cooperation by any of the Sides, any information obtained by any Side under this CA should continue to be treated confidentially by any such Side.

7. Non-legally binding nature of the cooperation

- 7.1 This CA is not intended to create rights or obligations under international or domestic law on any of the Sides.

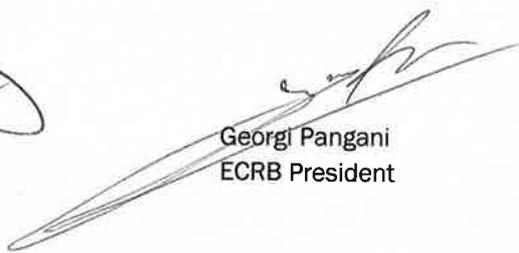
8. Commencement of cooperation

- 8.1 Cooperation under this CA should commence on the day after it has been signed by all Sides.
- 8.2 This CA is signed in three original copies in the English language.

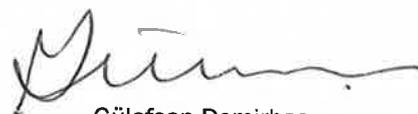
Vienna, 11 December 2018



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