July 2015 MoU – signatory parties
- EU | AL | AT | BG | FYROM | GR | HR | HU | IT | ROM | SI | SK | SRB | UA
- MD signed in October 2015
- Action plan: infrastructure projects (challenges and financing) + market integration measures

Priority projects
- TAP (already decided)
- Interconnector GR-BG (IGB)
- Interconnector BG-SRB
- System reinforcement BG
- System reinforcement ROM
- LNG Terminal HR
- LNG evacuation system towards HU
Map of CESEC Projects
From the CESEC MoU:

1. “Effective regulatory framework […] including regulatory incentives is a prerequisite”

2. Commitment to “promote market integration and well-functioning markets” by:
   a. “effectively and fully implementing all EU gas sector legislation”
   b. “removing remaining legal, regulatory and commercial barriers to physical and commercial gas flows”
   c. “particularly across borders, via efficient use of interconnections and effective gas network access”

3. “ACER, the European Commission or the Energy Community should act as a facilitator to any regulatory issue of a cross-border nature”
Translating the MoU into practical progress

ECS activities to **monitor and facilitate** CESEC:

1. **List of measures for implementing market related CESEC elements** developed & communicated to the CPs

2. **Country missions** targeting discussions of national implementation steps ongoing
   - Ministries to coordinate
   - All relevant stakeholders to be involved

3. **Continuous progress reporting**
   - as member of the CESEC meetings
   - **Standard report publication - 1st edition 12/2015** (market and infrastructure related)
   - EnC and EU Gas Fora
## CESEC – ECS monitoring roadmap

<table>
<thead>
<tr>
<th>MoU criteria</th>
<th>National relevance</th>
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</table>
| **Ensuring transparent and non-discriminatory third-party access** | Establish capacity allocation mechanisms and congestion management rules allowing TPA in forward and reverse flow  
Establish market-based balancing mechanisms  
Develop transparent and non-discriminatory tarification rules that do not distort trade across borders (avoid pancaking) |
| **Ensuring free flow of gas and provision of competitive framework** | Remove legal or contractual barriers to competition  
Ensure barrier-free market entry  
Optimise actual capacity use in both directions, including backhaul |
| **Infrastructure related measures** | Adopt interconnection agreements  
Provide a cross-border cost allocation mechanisms in line with Regulation (EU) 347/2013  
Ensure harmonised framework of operation of interconnected EU MS-EnC CP systems |
| **Cross-cutting measures** | Ensure independence of national energy regulatory authorities based on pre-defined indicators  
Unbundle and certify transmission system operator in line with the Third Energy Package  
Apply for observer status in ACER based on a positive opinion of the European Commission  
Increase effectiveness of national administrative authorities, including for competition and State aid |
| **Measures required for market integration** | Discuss possibilities to integrate gas markets with neighbouring EU and EnC gas markets |
## First results - overview

<table>
<thead>
<tr>
<th>Ensuring transparent and non-discriminatory third-party access</th>
<th>Albania</th>
<th>FYR of Macedonia</th>
<th>Serbia</th>
<th>Ukraine</th>
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\(^1\) With the exception of abolishing destination clauses in supply contracts
\(^2\) With the exception of abolishing anti-competitive clauses in Intergovernmental Agreement and transit contracts
\(^3\) With the exception of TAP certification
Thank you for your attention!

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