

9TH ENERGY COMMUNITY MINISTERIAL COUNCIL

MEETING CONCLUSIONS

Chisinau, 6th October 2011

1. The Ministerial Council meeting was opened by H.E. Mr. Valeriu Lazar – Deputy Prime Minister and Minister of Economy – on behalf of Moldova as Presidency in office. Mr. Fabrizio Barbato, Deputy Director General for Energy at the European Commission and Ms. Malgorzata Szymanska, Director at the Ministry of Economy, welcomed the participants on behalf of the European Union (permanent Vice-Presidency).
2. The Ministerial Council thanked the Presidency Authorities for their hospitality.
3. The Ministerial Council approved the agenda.
4. Having regard to the submitted request, the Ministerial Council accepted Armenia as an Observer to the Energy Community. Armenia was invited to participate in the meeting in its Observer status.
5. Following its request, Poland was recognized as a Participant.
6. The Ministerial Council adopted the A-points as indicated in Annex 1.
7. Taking note of the annual Implementation Report as presented by the Energy Community Secretariat, the Ministerial Council reviewed the state of play of the implementation of the Treaty. It welcomed the recent developments of the primary and secondary legislation in line with the Treaty requirements by several Contracting Parties. On this ground, the Contracting Parties were encouraged to put particular emphasis on the work towards practical implementation.
8. The Ministerial Council exchanged views concerning the security of supply status in general and for the winter 2011/2012 in concrete. The Ministers thanked the European Commission for including the Secretariat as a full member of the Gas Coordination Group and invited the Contracting Parties to actively support its work by providing timely and extensive information when it is required. In parallel, the Ministerial Council invited all Contracting Parties to monitor their level of preparedness on regular basis in order to mitigate the impact of potential gas supply disruption. In addition, the Ministerial Council invited the Secretariat to assist Contracting Parties to start preparatory work to facilitate the future implementation of Regulation N° 994/2010, concerning measures to safeguard security of gas supply, such as carrying out the risk assessment and on the basis of its results preparing the Preventive Action and Emergency Plans.
9. In relation to the third internal energy market package, the Ministerial Council adopted a Decision on the implementation of Directive 2009/72/EC, Directive 2009/73/EC, Regulation (EC) No 714/2009 and Regulation (EC) No 715/2009 and amending Articles 11 and 59 of the Energy Community Treaty. The Ministerial Council invites Ukraine to expedite the internal procedure of approval of the decision.

10. While the general implementation deadline was fixed on 1st January 2015, the European Union recalled that this is to be considered as an end deadline and encouraged Contracting Parties to implement the rules well before that date.
11. The Ministerial Council acknowledged that network codes developed at European level constitute efficient tools to foster competition in the energy markets and are essential for full integration of the pan-European energy market. The Ministerial Council agreed that Network Codes should be adopted by the Energy Community as soon as possible after adoption at EU level. It therefore instructed the Permanent High Level Group to adopt without delay the Procedural Act foreseen in Article 28(3) of the Decision.
12. The Ministerial Council recalled that the lack of reference to bodies created by the Third Package at EU level (ACER, ENTSO-E, ENTSOG) in the Decision adopted today is without prejudice to the potential participation by the institutions and representatives of the Energy Community Contracting Parties in the work of these bodies, in accordance with the rules and working arrangements applied by them. The Ministerial Council invited all Energy Community institutions to initiate work towards increasing cooperation of public authorities and stakeholders of the Contracting Parties with these organisations.
13. The Ministers noted the activities in the area of renewables as presented by the report of the RES TF Chair. The Ministerial Council mandated the PHLG to appoint the Chair of the Renewable Energy TF (RES TF). The ministers also agreed on the extension of the RE TF mandate till the end of 2012. Further, they took note of the plans on the implementation of the renewable energy acquis as in the Treaty, presented by Moldova and Ukraine, as well as of the Secretariat's report on the development of Simplified Renewable Action Plans under Recommendation 2010/01/MC on promotion of the use of energy from renewable sources. The Ministerial Council encourages the Contracting Parties to advance the implementation of the renewable energy acquis and to ensure the proper investment climate for renewable energy projects.
14. The Ministerial Council welcomed the work performed by the Energy Efficiency Task Force. The Ministers adopted a Decision on adopting certain Delegated Regulations on labelling of household appliances. Further, they agreed to the extension of the Energy Efficiency Task Force mandate till the end of 2012, to assist Contracting Parties with the implementation of the relevant rules on the Energy Performance of Buildings, energy end-use efficiency, energy services and labelling of energy-related products.
15. The Ministers welcomed the work of the Environmental TF and encouraged the Contracting Parties for more active preparation towards meeting the deadlines for the implementation of the acquis as in the Treaty in general and for the implementation of the Large Combustion Plants' Directive in particular.
16. The Ministerial Council took note of the concept paper for the development of a Regional Energy Strategy prepared by the Secretariat. The Ministers approved the establishment of a Regional Energy Strategy Task Force in charge of elaborating a comprehensive Regional Energy Strategy, including a special part on Regional Power Development and Investment Plan aiming at promoting investments, and invited the Contracting Parties and other stakeholders to nominate their representatives not later than 20 October 2011 in order to have the Task Force operational along the agreed mandate as soon as

possible. It was recalled that the appointed members of the Task Force can be assisted by experts, as appropriate.

17. The Ministerial Council noted the report by the Secretariat on pending dispute settlement cases. The Ministerial Council appointed three members and one alternate for the Advisory Committee for the period 2011-2013. It invited the Parties to nominate additional candidates and mandated the Permanent High Level Group to appoint two more alternates at one of its next meetings.
18. The Ministerial Council reviewed the status of the priority infrastructure projects in the Contracting Parties as presented by the Secretariat and took note of the proposals to include additional projects.
19. The Ministerial Council approved the Implementation Plan for Gas Infrastructure Development in the Energy Community and committed to advance rapidly on the development of gas-fired power stations and gas infrastructures implementing the Gas Ring Concept. To this end, it empowered the PHLG to undertake the necessary actions in consistency with the availability of gas from producer states and requested the Secretariat in particular to draw up for each Contracting party directly involved a framework Recommendation pursuant to Article 33 of the Energy Community Treaty detailing actions for necessary market reform in order to attract gas sector investment.
20. The Ministerial Council adopted the Energy Community Work Programme and Budget for the period 2012-2013, as proposed by the Commission, subject to the approval by the EU budget authorities of the relevant appropriations for both years.
21. The Ministers noted the information on the outcome of the Social Forum and reconfirmed the importance of the social dimension in the Energy Community context.
22. The Ministerial Council thanked the current Presidency of the Energy Community in the person of Minister Lazar and welcomed the incoming Presidency – Montenegro. The Ministers took note of the priorities for the incoming Presidency, which shall focus on:
 - Transposition and steps towards implementation of the Third Internal Market Package as to accelerate integration of the region in the single European energy market;
 - Adoption of a Regional Energy Strategy, including Investment Plan;
 - Effective liberalization of the wholesale energy markets and development of competitive regional trading platforms coherent with the practical steps in the development of the EU Internal Energy Market;
 - Completion of the set up of the Coordinated Auction Office for electricity;
 - Energy efficiency and renewable energy - implementation of the Action Plans; Involving actively the environmental and climate criteria in the debate on energy;

- Extending the acquis to the rules on energy statistics, RES and oil stocks;
- Social Dimension – strengthening the focus on the topic on the ground of concrete steps along the Memorandum of Understanding on Social Issues.

These Conclusions are adopted.

Done in Chisinau on October 6, 2011

For the Ministerial Council,

THE PRESIDENCY



Annex 1

- 1) The Ministerial Council takes note of the Director's report on the implementation of the Work Programme of the Energy Community for 2011.
- 2) The Ministerial Council takes note of the Report of Audit as of 31 December 2010, presented by "Ernst & Young", of the Budget Committee report on Audit 2010 and of the Director's Report on the implementation of the budget of the Energy Community for 2010.
- 3) Based on the information under item 2 above, the Ministerial Council adopted a Decision on Financial Discharge of the Director of the Energy Community Secretariat.
- 4) The Ministerial Council adopted the amendment of the Energy Community budget for 2011 as proposed by the European Commission.
- 5) The Ministerial adopts the Conclusions of the 19th, 21st and 22nd Permanent High Level Group meetings.