

## Conclusions of the 13th Energy Community Gas Forum

20 September 2018, Ljubljana

1. The Forum was opened by the host Slovenian National Energy Regulatory Authority and the chair, the European Commission. The Forum focused on the achievements and challenges of the gas sector in the Energy Community.
2. The Forum welcomed the progress report on the gas markets by the Energy Community Secretariat, in particular the efforts made by fYR of Macedonia and Georgia to transpose the gas acquis. Nevertheless, it was underlined that implementation of the acquis is not satisfactory and invited the Contracting Parties to rectify the remaining acquis breaches in this regard.
3. The Forum took note of the uncertainties related to the future of natural gas in the European energy mix as well as of the pathways how to make the internal gas market deliver the highest possible social benefit to consumers. Presenters highlighted the potentials for innovative use of gas: while the mid-term forecasts proof relevance of natural gas the perspective becomes less clear in the long term depending in what way decarbonisation develops.
4. The Energy Community Secretariat outlined the main implications of the energy transition for the Energy Community Contracting Parties, in particular taking into account the economic viability and sustainability of coal resources. The Forum recommends that the legislative framework of the European Union and the Energy Community are aligned to fully reap the benefits of the Clean Energy Package for all consumers in Europe.
5. The Forum noted that gaps in natural gas infrastructure in the Balkans which still exist until today continue to hamper regional market integration. Updates were presented on the projects aiming to remedy the situation. Related to the infrastructure needs, Georgian plans for investments in underground gas storage and transmission capacities were also presented.
6. The Forum welcomed the presentation of IAP project as a branch of the Southern Gas Corridor interconnecting Central Europe with WB Countries, providing additional security of supply and development of gasification on the territory of involved countries. The Forum encourages project promoters to continue the project development and EU to support it.
7. With regard to Ukraine's central role in natural gas transit to Contracting Parties and European Member States during a panel discussion assessed the potentials and challenges of the ongoing natural gas market reform in Ukraine. Participants agreed that the stakeholders' trust in a fully independent and functional TSO, confirmed by certification, is crucial for the sustainability of transit of natural gas through Ukraine in the post-2019 period. The Forum urged the creation of a favourable regulatory and legislative environment for the establishment of an Ukrainian gas exchange.
8. The Secretariat provided an update on the progress in the implementation of network codes in the Contracting Parties. The Forum welcomed the progress made towards transposition of the network code on interoperability and data exchange as well as the guideline on congestion management principles in Albania,

Montenegro and Moldova and urged Bosnia and Herzegovina, Serbia and Ukraine to provide for the appropriate legal framework to allow for transposition of the network codes.

9. The Forum supported the adoption of the second set of network codes, i.e. the code on capacity allocation mechanism and the code on harmonised transmission tariff structures for gas, at the next meeting of the Permanent High Level Group. The Forum invited the Energy Community Secretariat to launch negotiations on the gas balancing network code in early 2019, also paying particular attention to the findings of the presented ECRB survey on balancing regimes in the Energy Community.
10. The Forum took a positive note of the activities of the Energy Community DSO Coordination Platform and emphasized the important role of the DSOs in the implementation of market reforms and developments. The Forum welcomed the ECRB's work on distribution network tariffs and invited the regulatory authorities to further support distribution infrastructure and market development through appropriate distribution tariff regulation.