



Speech by Vice-President Maroš Šefčovič at the Celebration Ceremony of 10th Anniversary Energy Community

Vienna, 27 August 2015

Prime ministers and ministers, excellencies,
Director Kopač,

It is a great pleasure for me to speak at this milestone event, marking the 10th anniversary of the Energy Community.

Just by looking at the people sitting here today, we can see how this organisation has expanded, developed and adapted over this time to meet new energy challenges lying ahead of us.

Past accomplishments

10 years ago, the Energy Community was established in order to better cooperate and integrate the energy markets of the Balkan countries with each other and with their neighbouring EU Member States.

Over time, the Energy Community has developed from a regional pre-accession tool to an eminent instrument for our joint security of supply, carrying further our cooperation in the field of energy.

It has helped us to promote safe, secure and predictable production and transportation of energy in the closest EU neighbourhood.

As such, the Energy Community plays a pivotal role in the external dimension of the Energy Union – the EU's overarching energy strategy for the years to come.

Challenges & opportunities

However, the geo-political changes of the past years have obliged the Energy Community to adapt as well. With the accession of Bulgaria, Romania and Croatia to the EU and the accession of Moldova and Ukraine to the Energy Community, the organisation's nature has changed.

The Community's membership has become more diverse and there is a greater incentive for cooperation with the EU Member States. If I may say so, the Energy Community has matured.

Almost all the Contracting Parties^[1] now border EU Member States, but there are very few interconnectors between the Contracting Parties, and between the Contracting Parties and the EU Member States.

By transposing energy acquis you are creating the necessary software. Yet, additional hardware is also needed to foster market integration and safety of supply.

With today's connectivity agenda of the Western Balkan Summit, the EU proved its readiness to support the development of this much needed hardware.

It is not only the political situation that has changed but also the 'energy climate' in which we live, and the impact of energy on climate. Sustainability is very high on our minds, especially now as we are preparing for the COP21 Summit in Paris in a few months' time.

The key challenge of the day is the so called 'holly triangle': ensuring a secure supply of energy, which is competitive on the one hand and sustainable on the other.

In order to achieve all this, and become strong partners for the EU Member States, the Energy Community needs to speak the same "language" as the EU in terms of how it operates its infrastructure and energy supply.

In the future, this common "language" will consist – not only of the Third Package and 'security of supply' rules - but also on the third angle of the triangle, namely: common environmental standards.

The process may be challenging but I am very impressed by the reforms being undertaken particularly in Ukraine and Serbia. I am also happy about the Joint Statement and renewed political commitment

the Prime Ministers of the six Western Balkan countries expressed this morning.

Looking ahead

Despite the successes in the past, or because of that, the Energy Community has to be upgraded. This is also recognised in the Energy Union framework strategy.

In order to face our Community's challenges, we must look at how we can strengthen the Energy Community so that Contracting Parties are able to cooperate better with the EU Member States and to better integrate our energy grid across the entire European continent.

In order to ensure that the implementation of the *acquis* is more thorough and effective - we need to upgrade the existing institutions and procedures. Just like in the Energy Union, it is the governance system that will make the difference.

The reform of the Energy Community is a long process, which needs to be done gradually. The analyses of the existing shortcomings and concrete proposals are there, now is the time to implement them.

We are embarking on unprecedented steps of cooperation between the EU and its Member States and the Energy Community.

Here are a few examples:

- The Commission is proposing to increase the budget of the Energy Community for the year 2016-2017 by 30%.
- In 2014, the Commission had involved the Contracting Parties in the stress tests exercise and today it proposes to engage them in preparation of the future Joint Act on Security of Supply.
- With the Commission proposal for the TEN-E Regulation in the Energy Community, we have the chance to establish a process of coordinating the Projects of Common Interest (PCIs) and the Projects of Energy Community Interest (PECIs) and to speed-up and finalise the most important projects.
- The proposal on the transposition of the Energy Efficiency Directive will engage the Contracting Parties in a process that stimulates investments and reduces energy consumption – a priority in increasing security of supply.
- Four additional acts were proposed by the Energy Community Secretariat. These concern the work of the Ministerial Council and the Permanent High Level Group (PHLG), the operating of the Dispute Settlement process and the engagement with the representatives of the Parliaments and the Civil Society Organisations.

I am very glad that my friend, Professor Jerzy Buzek, chaired the work of the High Level Reflection Group which gave the decisive impetus to the developments I have just described. Many of the actions I mentioned directly address the problems you saw and identified in the Report we received last year.

Together with a roadmap for reform steps for the next years, these proposals will ensure that the governance of the Energy Community keeps up with the upcoming challenges, in particular with regard to the crucial issue of enforcement.

It is now up to the 'masters' of the Energy Community – the EU Council and the governments of the Contracting Parties - to pass decisions. Because even the best ideas remain on paper until they are not backed by a strong majority.

The Commission will be working closely with all parties involved and the Secretariat with the aim to start implementing these reforms already next year.

This work would not be possible if it weren't for the excellent work of the institution's men and women.

I would like to warmly thank the Secretariat under the leadership of Janez Kopač for its devotion and professionalism in this exercise and in reviewing the implementation of the Energy Community *acquis*.

As a small but powerful team of around 25 people from 17 different nationalities, your work, is bearing fruits which our citizens are already enjoying!

I am confident that this is the best recipe for the next successful 10 years of the Energy Community.

The focus should also be on developing strong national institutions and taking greater ownership of the organisation by the Contracting Parties – we need you, we need strong partners in wider Europe.

The next opportunity to prove such strong endorsement and support will be the upcoming Ministerial

Council of the Energy Community which is going to take place in October in Tirana. I wish you all the success!

Thank you very much.

[\[1\]](#) except Kosovo

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