

## 2024 INFORMAL MINISTERIAL COUNCIL MEETING

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### 1. Welcome and Opening Remarks

*Staša Košarac, Minister of Foreign Trade and Economic Relations, Presidency*  
*Péter Holicza, Deputy State Secretary for EU Affairs & International Relations, Hungary*  
*Mechthild Wörsdörfer, Deputy Director General, DG ENER*  
*Artur Lorkowski, Director, Energy Community Secretariat*

10:00-10:15

### 2. Electricity market coupling

10:15-12:30

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<b>Integration of the Energy Community Contracting Parties to EU's internal electricity market</b>	<b>10:15-10:30</b>	<b>DG ENER</b>
<b>Contracting Parties state of play on the implementation of the electricity integration package and progress in market coupling with the EU</b>	<b>10:30-10:45</b>	<b>EnCS</b>
<b>Roundtable discussion</b>	<b>10:45-12:30</b>	<b>Contracting Parties</b>

In December 2022, the Ministerial Council adopted the so-called Electricity Integration Package which, for the first time, enables the full integration of Contracting Parties into the EU's internal market for electricity, most prominently integration into the single day-ahead and intraday coupling (SDAC and SIDC), the main precondition for obtaining the CBAM exemption based on full market coupling implementation by end of 2025.

The transposition deadline was 31 December 2023 and for the time being none of the Contracting Parties was able to complete the process. Several implementation deadlines are also pending and are hindering the further progress with regards to the market coupling.

The delayed transposition of the Electricity Integration Package and the subsequent lack of compliantly designated NEMOs in the Contracting Parties further postponed the submission

of the so-called market coupling operator integration plan (MCO IP) which should have been completed by 15 June 2023 (for 15 October 2024).

Regional cooperation, in particular on the operationalisation of the capacity calculation regions (CCRs), and the conclusion of contracts inter alia between TSOs, NEMOs, TSOs and NEMOs– required for a majority of implementation steps, are also lagging behind. As a first step, the Single Day-Ahead and Intraday Coupling Observership and Non-Disclosure Agreement ('CACM Global NDA') should be signed by all TSOs and NEMOs.

In light of the above, the discussion will focus on:

- The presentation of all steps necessary to ensure full and timely market coupling including all Contracting Parties' bidding zones;
- The identification of any challenges, bottlenecks and reasons for delays, and the discussion of possible solutions;
- The state of discussions in related bodies and initiatives (such as ENTSO-E, All-NEMO, market coupling local implementation projects).

***Working Lunch: 'Winter preparedness – lessons learned and next steps ahead of next winter'***

**12:30-13:45**

The European Commission and the ECS will present the overview of measures taken and lessons learned to ensure security of supply for winter 2023/2024 by the EU and the Energy Community Contracting Parties, as well as the risk preparedness measures ahead of next winter, specifically on security of supply, gas storage, demand reduction. Delegations will be invited to present the electricity and gas situation and exchange views on the measures they plan to take ahead of next winter to ensure security of supply both in the short and long-term.

### **3. Carbon pricing**

**13:45-16:00**

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<b>Introductory remarks on carbon pricing</b>	<b>13:45-14:00</b>	<b>EnCS DG CLIMA</b>
<b>Presentation of the Impact Assessment methodology and policy scenarios</b>	<b>14:00-14:30</b>	<b>EC consultants</b>
<b>Roundtable discussion</b>	<b>14:30-16:00</b>	<b>Contracting Parties</b>

The 2021 Decarbonisation Roadmap committed to making progress towards a carbon pricing system for the Contracting Parties. The Ministerial Council meeting on December 14, 2023, agreed to update the Roadmap during its 2024 session. This update will aim to facilitate the way forward regarding the implementation of carbon pricing in the Energy Community, setting out the basic principles and the parameters of the desired model that would be agreeable for

the Contracting Parties, identifying the main steps and milestones towards its gradual establishment.

To ensure a well-informed decision-making process, the European Commission was invited by the last Ministerial Council to conduct an impact assessment on various policy options for a carbon pricing model for the Energy Community. The methodology and outline of the different scenarios as framed in the inception report is expected to be presented, as well an update on the timeline, during the meeting. This will be followed by a discussion serving as an opportunity to present the views of the Contracting Parties on their approach to commit to the establishment of a carbon pricing model by 2030. Such model would be effectively applicable until the date of accession and should include flexibilities for guaranteeing gradual alignment of the Contracting Parties regulatory framework with the EU ETS.

In light of the above, the discussion will focus on:

- An exchange of views on the methodology and outline of different scenario of the Impact Assessment.
- Tour de table on what CPs are doing to prepare for CBAM, including plans to being exempted from CBAM electricity.
- Scope for regional cooperation.

#### ***4. Ahead of the Ministerial Council***

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**Next steps**

**EnC**

**Artur Lorkowski**

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