

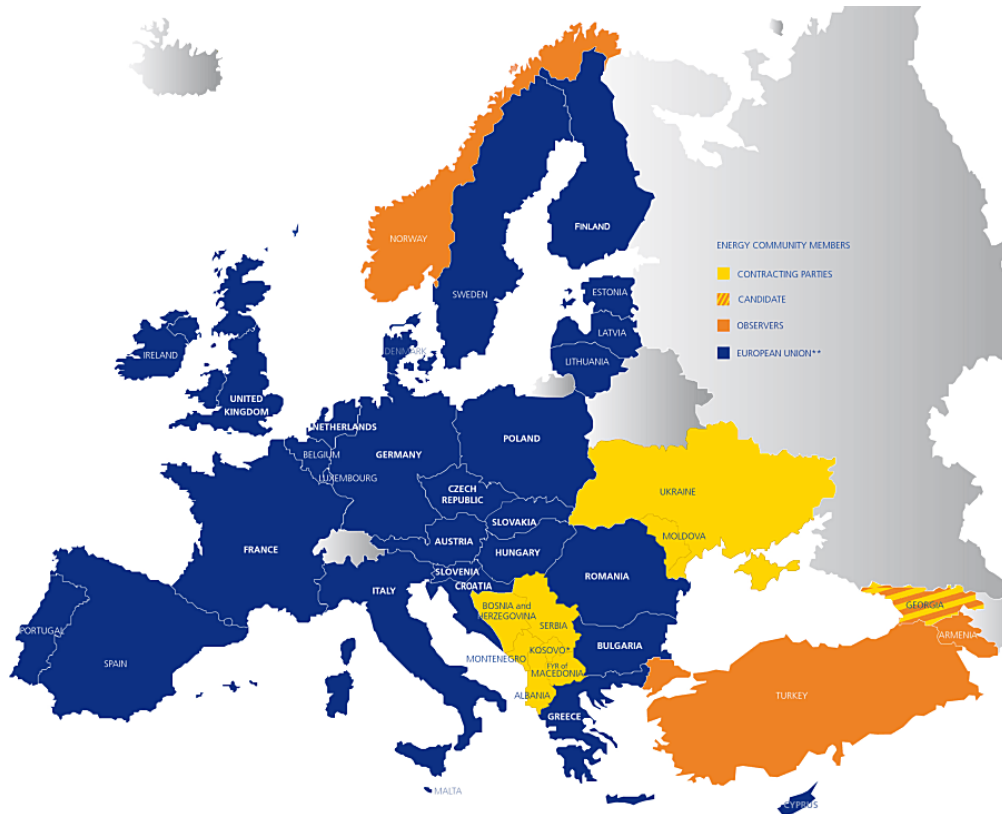
Regional Cooperation in Energy Sector

EIHP view

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REGIONAL BORDERS IN TERMS OF ENERGY SECTOR?

Energy Community (EnC)



- Members:

-  Contracting Parties

-  Candidates

-  Observes

-  European Union

South Eastern Europe Cooperation Process (SEECP)

- Members:
 - Albania
 - Bosnia and Herzegovina
 - Bulgaria
 - Croatia
 - Greece
 - Kosovo
 - Moldova
 - Montenegro
 - Republic of Macedonia
 - Romania
 - Serbia
 - Slovenia
 - Turkey



Energy region – including all countries having impact on energy flows in region



Energy Community CP

SEECP



Albania

Austria



Bosnia and Herzegovina



Bulgaria



Croatia



Greece

Hungary

Italy



Kosovo



Montenegro



Republic of Macedonia



Romania



Serbia



Slovenia



Turkey

Political and legislative context

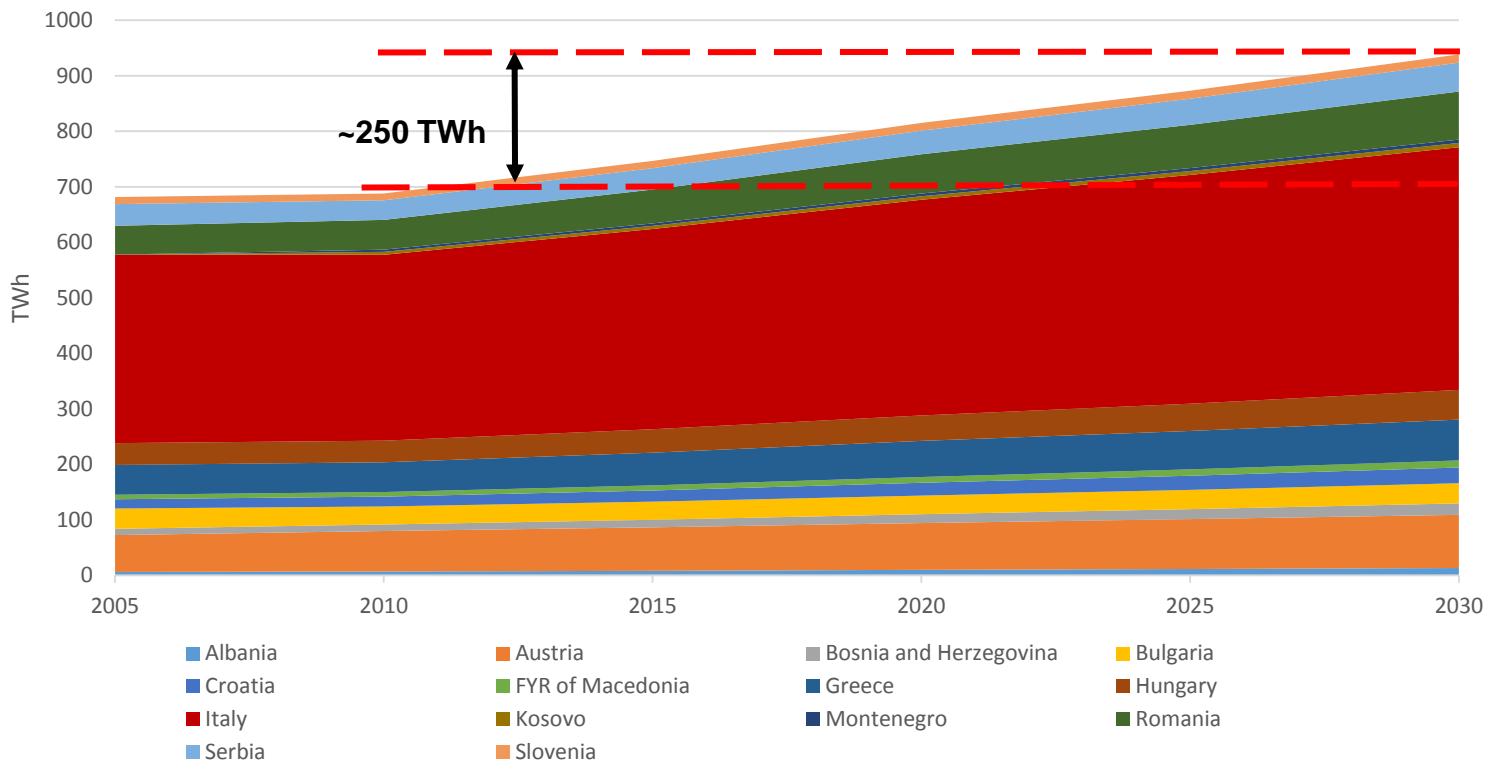
- Region is in the intersection of different associations and initiatives – Energy Community, SEECP; with differences in the level of economical and political development
- Region, in terms of energy sector, is covered by SEECP countries and additionally Austria, Hungary and Italy, as they significantly affect energy flows towards the countries in the region
- Characteristics of energy sector in region are not closed inside regional borders, there is a need for market communication with other markets
- Countries in the wider energy region:
 - Different levels of liberalization of energy market
 - Different levels of harmonization of legislation and institutional procedures with the EU acquis

REGIONAL ENERGY SECTOR CHARACTERISTICS



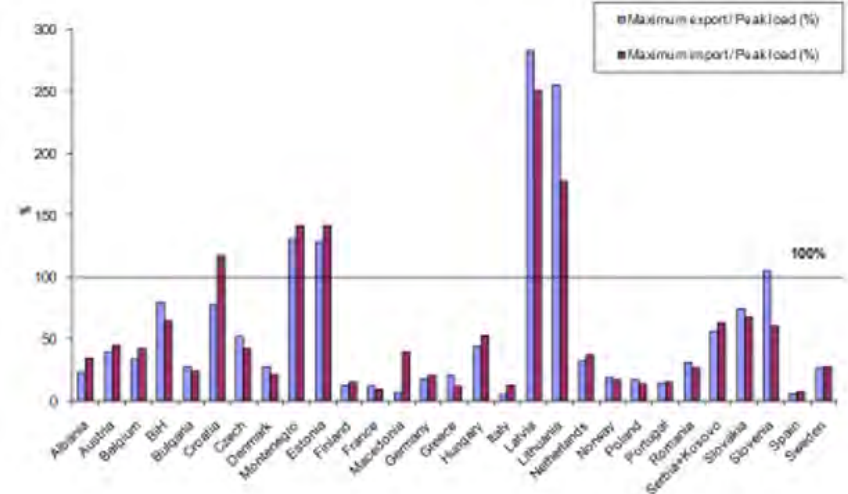
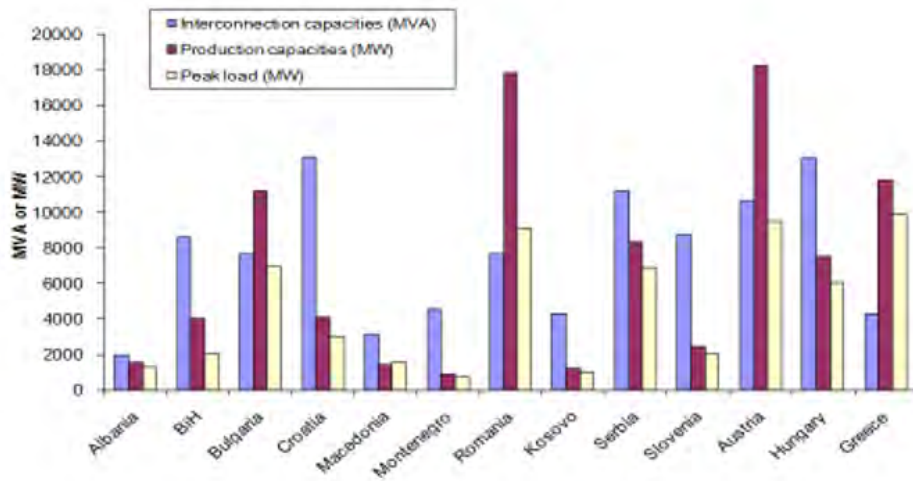
Electricity

- Electricity consumption in the SEE region



Electricity

- Possibilities of electricity exchange in the SEE region



Electricity

- Existing and future tie-lines 400 kV and 220 kV in the SEE region



Natural gas



- PCI – Projects of Common Interest
- Importance of SEE region for new supply routes to EU

Oil

- Total production capacities of 181 million tons
- Total consumption of 120 million tons



REGIONAL COOPERATION

Economical context

- Region is scarce in energy resources and depends on energy import, and is not adequately connected (especially gas network)
- Security of supply depends on building new generating capacities, connection of transportation network and realisation of of gas and oil supply projects within the region

Possible domains for cooperation

- Connection of transportation networks between countries in the region (electricity transmission lines, gas and oil pipelines)
- Legislation harmonisation and institution building necessary for market development (aim of EnC)
- Development of regional energy market
- Development of energy security system in region
- Creation of conditions that encourage new investments in energy sector
- Connection of professional and scientific institutions

Three pillars of regional cooperation

- Political (SEECF)
 - Stimulate intragovernmental cooperation in the infrastructural projects, transport, and supply routes diversification
- Legislative/integrative (Energy Community)
 - Continue Energy Community efforts in harmonization of legislation and institutional procedures with the EU acquis
- Economical (cooperation initiatives)
 - Binding of electricity and natural gas TSO's
 - Binding of electricity and natural gas DSO's
 - Energy market interlinking
 - Cooperation between producers and suppliers



Thank you