



RegionalCooperationCouncil

REGIONAL COOPERATION COUNCIL (RCC)

Energy and Infrastructure Unit

Fostering Regional Cooperation in
the Energy Sector

Geneva, 20 November 2008



Why Energy and Infrastructure?

- Prerequisites for the overall economic, social and environmental development, stability and prosperity of the region;
- Requires substantial financing at appropriate terms and conditions, strong commitment to national reforms, regulatory improvements and increase in the implementation capacities;
- Increasing possibilities to meet national infrastructure needs and to ease national reforms through enhanced and well coordinated regional cooperation;

Aims:

- **Promote, monitor and facilitate coordination of regional infrastructure cooperation processes;**
- **Act as an information and focal point for regional infrastructure cooperation activities;**
- **Point out and contribute in addressing the major bottlenecks in the national reforms implementation;**
- **Provide political guidance to and receive input from relevant task forces and initiatives, estimate their role and relevance to seek for synergies and complementarities;**

Aims:

- **Ensure that regional cooperation processes are regularly assessed by the highest political structures in the region, the EU and other IOs;**
- **Promote continued involvement of international donor community and expansion of regional cooperation supporters;**
- **Promote regional infrastructure investments, its impartial prioritization and particularly private sector participation;**
- **Monitor strategic infrastructure developments internationally;**

Core Initiatives

- **Energy Community including social dimension and EE activities;**
- **SEE Core Regional Transport Network Development and Transport Community;**
- **Regional Environmental Center Programs and Initiatives;**
- **UNECE (SE, T and E Divisions)**
- **IFIs and Development Agencies initiatives;**

Energy Community

- **Monitoring implementation of the ECT - participating in the ECT institutions meetings;**
- **Political support to the ECS promoting at the CPs of the need for:**
 - **Cost-reflective energy prices,**
 - **Civil society inclusion,**
 - **Taking regional approach and establishing stable and compatible national frameworks,**
 - **Speeding up the decision making process to construct new electricity generation facilities,**



Energy Community

- Organizing fair, transparent and diligent public tendering procedures,
- Promoting mutual assistance and solidarity in the event of disruption of Network Energy supply,
- Promoting regional gas sector reform to compensate delay in relation to electricity sector developments;
- Coordinating efforts for bringing more gas in the region through real diversification and EC Gas Ring development,
- Launching and permanent enhancement of a dialogue between external energy suppliers and SEE consumers,
- Development of the Oil Dimension under EC umbrella and expansion of the EC geographical scope,
- Efficient and sustainable implementation of the ECT,
- Developing EC Social Dimension,

South East Europe Transport Observatory

- **Political support to the SEETO PS operation;**
- **Support in negotiation and execution of the TCT based on the MoU on Core Regional Transport Network;**
- **TCT would strengthen transport investments in the region, harmonise transport policies and include social dimension from the beginning;**
- **RCC can encourage SEE parties to secure the appropriate negotiating mandate and by offering a neutral political troubleshooting forum;**

REC Programs and Initiatives

- **Energy and transport major pollutants;**
- **REReP (RENA);**
- **ECENA (functional environmental legislation priority – strengthening the cooperation with parliamentarians);**
- **Social and environmental implications in relation to the infrastructure development request sound inclusion of Civil Society;**
- **Sequence of environmental conferences agreed with REC (Combating CC in the SEE – CCFAP);**

UNECE

- **UNECE-RCC Staff to Staff meeting;**
- **UNECE EE21 Project, RCC, NALAS, FEDRE, RENEUER representatives met to discuss 1st draft of UNECE EE project proposal (specific, visible and quick results, added value, synergy with ongoing and planned projects, diversity of SEE countries needs, balance between prerequisites to increase EE, CB, transfer of experience and EE financing);**
- **Inclusion of ECS;**
- **Application for EC support in accordance with EC requirements;**
- **EE important tool for SoES;**

UNECE

- **SoES key goal of each energy strategy;**
- **ECT promotes: responsibility and solidarity of all CPs, diversification, development of crisis mechanisms to deal with temporary supply disruptions, fully operational energy market, enhanced dialogue between producing, consuming and transit countries to complement SoES efforts;**
- **Oil – major global primary fuel - rationale behind the expansion of ECT scope with the oil dimension;**
- **Oil and gas global investment requirements by 2030 amount to 4.3 tUSD and 3.9 tUSD, respectively;**

UNECE

- **Cooperation in promoting strategic partnership between NOGCs and IOGCs that will ensure mutual benefits: for NOGCs (market access, technology, project management experience and knowledge transfer, capital) and IOGCs (access to reserves, doing business in more favourable, stable and predictable environment);**
- **Additional inclusion of governments will enable huge investment needs to be met and strengthen global energy security in the long run;**

UNECE

- **Cooperation in transport sector to facilitate accession, ratification and implementation of MTAs;**
- **Cooperation in environmental area to facilitate accession, ratification and implementation of MEAs, to promote transboundary water cooperation in SEE primarily by ensuring sustained political will of the RCC members from SEE for long-term cooperation;**
- **To support cooperation between ECS, SEETO, REC and respective UNECE Divisions;**

Short –Term priorities for Action

- **Participation in the IFIAG and its WGs (as the main EC interlocutor on regional cooperation matters) to contribute to adequate prioritization of infrastructure projects to be financed primarily through the MB IPA (IPF-based on TEN criteria, economic and environmental criteria and regional studies);**
- **To promote sustainable energy development in the region- establishment of an appropriate legislative, institutional and regulatory framework and implementation of small scale sustainable energy projects in each RCC member from SEE (strong national support to be complemented by the EC and IFIs);**

Short –Term priorities for Action

- **To support inclusion of Civil Society Actors involving the social partners and the relevant trade union organizations as well;**
- **To implement FP - Roadmap for Environmental Cooperation in SEE - consisting of four thematic high level conferences;**
- **To support Transport Community Treaty negotiation;**
- **To promote sustainable and cost effective transport modes;**
- **To promote navigation, protection and integrated management of regional water resources (DCP, DC, ICPDR, ISRBC);**
- **To establish and strengthen cooperation with the Parliamentarians in order to facilitate law making process;**

Short –Term priorities for Action

- To assist bilaterally to the SEECF CiO and RCC members from SEE facing problems;
- To promote an approach that more advanced RCC members from SEE assist to those coping with the infrastructure reform delay;
- To (co)organize energy, water, transport and environmental events in close collaboration with main partners and professional organisations alongside active participation of the EC;
- To enhance cooperation with NALAS, EFSDR, RENEUER and EE21 Project in order to support energy cooperation on the municipal level;
- To initiate establishment of coordinating mechanism between the ECS, SEETO and the REC – to promote multidisciplinary projects and approaches;

Main Players and Partners

- **DG TREN, DG ENV, ECS, SEETO, REC and UNECE;**
- **Variety of regional cooperation processes, organizations and initiatives (BSEC, CEI, BSREC, IENE, WEC SEE TFE, NALAS, EFSDR, RENEUER, DCP, DC, ICPDR, ISRBC, REReP, PEIP, DABLAS, ENVSEC, ECENA ...);**