

# CAN Europe response to the Public consultation on the Options for Implementation of Proposals on the Future of the Energy Community

---

March 2015

## A. INTRODUCING MORE FLEXIBILITY IN THE ACQUIS

The HLRG Report requests that “more flexibility should be allowed in the scope and time of the adaptation of the *acquis*, taking into account that the situation of the Contracting Parties may differ in many aspects which are key for implementation (e.g. social conditions, existing or missing links to EU transmission grids, existing or missing gas pipelines, different country sizes, different technical standards etc.).”

Q 1 : Do you agree with the assessment made in the Analytical Paper?

NO

Q 2 : Which of the three options do you support the most? (Please note these options are not mutually exclusive and may also depend on each other.)

Status QUO

## C. EXPANDING THE SCOPE OF THE ACQUIS IN THE ENVIRONMENTAL AREA

In the area of environment, the HLRG Report concludes as follows: “The Energy Community should reconsider the scope of rules related to environmental protection”. It proposes additional directives to be included in the Energy Community’s environmental *acquis*.

Q14 : Do you agree with the assessment made in the Analytical Paper?

YES

Q 15 : Which of the four options do you support the most?

### Option 2 (Level II proposal)

Extend the existing *acquis* by some of the environmental acts proposed by the HLRG and update the existing ones in accordance with the amendments of the EU *acquis*.

In case you support Option 2, are there any particular pieces of legislation among those proposed that should be included?



As the HLRG has already recognized, sustainability and the rules on environmental protection and climate change should be properly reflected in Energy Community policy. We highly support the HLRG's recommendation to broaden the scope of rules related to environmental protection.

We especially advise the Energy Community to adopt and implement:

Chapter II of Directive 2010/75/EU on industrial emissions (also for existing plants) according to which, industrial installations must use the "best available techniques" to achieve a high level of environmental protection. The Directive ensures a level playing field in energy generation in the EU and Energy Community and prevents the danger of emissions leakage.

Directive 2008/50/EC on ambient air quality and cleaner air for Europe which, defines objectives for ambient air quality designed to avoid, prevent or reduce harmful effects on human health and the environment as a whole. The ultimate electricity consumers, citizens, and protection of their health should be a central part of broadening of the scope of rules. We encourage ensuring the integration of health protection into Energy Community policy. Achieving the air quality standards by local concentration limit values require also reduction of background emissions through implementing Directive 2001/81/EC.

Directive 2001/42/EC on the assessment of the effects of certain plans and programmes on the environment according to which a Strategic Impact Assessment is obligatory for plans/programmes, inter alia those prepared for the energy sector, and which sets the framework for future development consent of projects listed in the Environmental Impact Assessment Directive.

**Q 16 : Do you consider that additional options i.e. other pieces of environmental legislation, need to be added?**

**YES**

**If yes, which? What are the impacts in comparison to the status quo? (Please also use this text field for any additional comments.):**

Directive 2000/60/EC establishing a framework for action in the field of water policy, known as the Water Framework Directive, aims to prevent deterioration of the status of the water bodies and to achieve good ecological status of all waters (surface and groundwater) by requiring establishment of environmental objectives and ecological targets for surface waters, as well as preparation of comprehensive basin level plans for water management. This implies that all energy projects planned in a river basin will have to be assessed in terms of that basin's management plan to determine their impact, so provisions of this Directive are directly relevant for energy project development. Having in mind the large number of planned hydropower projects by the contracting The Directive will contribute to better assessment of planned hydropower projects and prevent deterioration of the quality status of a body of surface water as result of new sustainable human development activities.

Directive 2008/105/EC on environmental quality standards in the field of water policy which sets environmental quality standards for surface waters (rivers, lakes, transitional and coastal waters). The impact of power plant operation on water quality should be minimized by implementing this Directive.



Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora, known as the Habitats Directive, is designed to help maintain biodiversity in by defining a common framework for the conservation of wild plants and animals and habitats of Community interest. This Directive plays a significant role in energy investments, particularly in the hydropower or wind sector, which can have a serious impact on natural habitats, flora and fauna. The Appropriate Assessment, obliged by this Directive, is a highly useful tool that can show the cumulative impact of several energy projects planned in or near a habitat and balance interests and ensure the credibility of projects. Provisions under this Directive also contribute towards better implementation of the EIA Directive and the Amending EIA Directive (2014/52/EU) and will enable joint procedures (EIA and AA) in accordance with Article 3 paragraph 3 of the EIA Directive. According to the Amending EIA Directive 2014/52/EU the EIA procedure must identify, describe and assess the direct and indirect significant effects of a project on the biodiversity, with particular attention to species and habitats protected under Directive 92/43/EEC and Directive 2009/147/EC.

Directive 2006/21/EC on the management of waste from extractive industries and amending Directive 2004/35/EC which applies to waste resulting from the extraction, treatment and storage of mineral resources. The Directive is clearly relevant to mining supplying the energy sector in the Energy Community countries.

Directive 2001/81/EC on national emission ceilings for certain atmospheric pollutants, known as NEC Directive, and its amending Directive 2003/35/EC (COM 2013 920 final) which limits the emissions of certain atmospheric pollutants in order to improve the protection of the environment and human health against risks of adverse effects from acidification, soil eutrophication and ground-level ozone and to move towards the long-term objectives of not exceeding critical levels and loads and of effective protection of all people against the recognised health risks from air pollution. It is important to note that by this Directive is an instrument to cut down transboundary pollution, particularly of pollutants like PM2.5 which travel the longest distances and are one of the most harmful to human health.

We also agree with the assessment of the High Level Reflection Group that the Energy Community should help Parties reduce the investment risk by applying the best available European standards in screening the projects for their compliance with the long-term climate policy of the EU. As the HLRG suggests, the blueprint for this could be taken from the European Investment Bank's energy policy.

## **D. ENSURING LEVEL PLAYING FIELD AND FAIR COMPETITION**

### **I. ENHANCING THE EFFECTIVENESS OF COMPETITION LAW ENFORCEMENT**

The HLRG essentially proposes two measures to enhance the effectiveness of competition and State aid enforcement in the Energy Community, namely that *“the scope of the Energy Community [be] broadened ... by including procedural rules related to competition and State aid in the energy sector in accordance with the EU model (e.g. including notification of State aid to the Secretariat, following the model of Article 108 TFEU)”*, and that *“the Secretariat should be strengthened in terms of executive and investigative powers, e.g. in the area of competition, procurement and State aid in accordance with the model applied in the EU.”*



**Q 17: Do you agree with the assessment made in the Analytical Paper?**

**YES**

**How do you perceive the current implementation process for competition and State aid law in the Energy Community?**

A decision by a state on whether aid is compatible with the common market, may lead to abuse of state interventions through the unlawful use of public resources. Thus it is necessary to have an independent body included in the decision-making. According to Article 108 (ex-Article 88) of the TFEU, “the Commission shall, in cooperation with Member States, keep under constant review all systems of aid existing in those States (...). If, after giving notice to the parties concerned to submit their comments, the Commission finds that aid granted by a State or through State resources is not compatible with the internal market having regard to Article 107, or that such aid is being misused, it shall decide that the State concerned shall abolish or alter such aid within a period of time to be determined by the Commission“. Inclusion of Article 108 into the Energy Community Treaty with adjustments to equip the Secretariat with strong investigative and decision-making powers regarding state aid issues and aid measures would help to build a transparent aid procedure in the energy sector.

**Q 18: Do you support the status quo, Option 1, Option 2 or the above proposal of the HLRG? (Please note these options are not mutually exclusive and may also depend on each other.)**

**HLRG proposal**

**Q 19 : Do you consider that additional options need to be added?**

**NO**

## **II. INTRODUCING RULES ON PUBLIC PROCUREMENT**

**The HLRG also proposes to broaden the scope of the Energy Community “by including rules on public procurement (Directives 2004/17 and 2004/18/EC) in the energy sector.”**

**Q 20 : Do you agree with the assessment made in the Analytical Paper?**

**YES**

**Q 21 : Which of the three options do you support the most?**

**Option 2 (Level II proposal)**

Implementation of the EU public procurement *acquis* (Directives 2014/23/EU, 2014/24/EU and 2014/25/EU) to the extent relevant for the energy sectors.

**If yes, which? What are the impacts in comparison to the status quo? (Please also use this text field for any additional comments.) :**

The provisions of the Directive should be introduced to the Energy Community Treaty in order to ensure that public tenders take place in the construction of energy infrastructure. In fact the Commission’s own report on the Energy Community identified the shortcoming of impact of the Energy Community Treaty on



investments, which could be resolved with applying systematic and enforceable solutions. The application of public procurement rules would help to solve the problem of corruption and strengthen the rule of law in the energy sector. Public Procurement Directive 2004/18/EC's provisions are crucial not only to the energy sector, but also to unification of the of the Energy Community Contracting Parties' legislation and economies and strengthening the rule of law.

It is also crucial to include a notification mechanism in cases where governments seek to avoid procurement legislation on the grounds of projects implemented under international agreements. We have witnessed several cases (Kostolac B3, Pljevlja II, undersea cable Montenegro-Italy) where governments have skipped tender procedures and it is ambiguous whether local legislation allows this but if a notification procedure was in place the rules would be more transparent and applied across all parties equally.

### III. HARMONISATION OF VAT TREATMENT

In a letter sent to the Energy Community Secretariat on 25 October 2014, the Coordinated Auction Office of South Eastern Europe called for the *harmonization of VAT treatment in non-EU states in South Eastern Europe*.

Q 23 : Do you agree with the assessment made in the Analytical Paper?

YES

Q 24 : Which of the three options do you support the most?

**Option 2 (Level II proposal)**

Amending the Treaty so that every Contracting Party respects the EU VAT *acquis*.

Q 25 : Do you consider that additional options need to be added?

NO

## E. BETTER ENFORCEMENT AND DISPUTE SETTLEMENT

In its final Report, the HLRG identified the absence of a functioning enforcement mechanism as one of the main explanations for the failure of the Energy Community to fulfil several of its key expectations: *"Weak enforcement mechanism constitute one of the major obstacles to implementation of the acquis in the Contracting Parties."*

### I. ENCOURAGING PRIVATE ENFORCEMENT

As one of the remedies, the HLRG proposes "To encourage also private enforcement of the Treaty before national courts, it should be amended to the effect that provisions of Energy Community law can be relied upon by individuals even without implementation if these provisions are sufficiently clearly defined and unconditional."

Q 26 : Do you agree with the assessment made in the Analytical Paper?



**YES**

**Q 27 : Which of the three options do you support the most?**

**Option 2 (Level II proposal)**

Amend Title VI of the Treaty by a clear obligation on the administrative and judicial institutions of the Contracting Parties to accept direct effect of, the precedence of the Energy Community rules over conflicting national rules, as well as liability of the State for non-compliance in line with EU law.

**Q 28 : Do you consider that additional options need to be added?**

**NO**

II. Strengthening the framework for enforcement and dispute settlement

**Q 29 : Do you agree with the assessment made in the Analytical Paper?**

**YES**

**Q 30 : Do you support status quo or Option 1, 2, 3 and/or 4? Please note that these options are not mutually exclusive.**

**Option 3 (Level II proposal)**

Creation of a Court of Justice.

AND

**Option 4 (Level II proposal)**

Incorporation of the EU approach to sanctions for infringements.

**Q 31 : Do you consider that additional options need to be added?**

**NO**

**III. CONDITIONALITY OF FINANCIAL ASSISTANCE**

**The HLRG also recommended that; *“the financial assistance should be conditioned on implementation of the acquis and “A mandatory (non-binding) opinion of the Energy Community Secretariat should be introduced by donors in their procedures”.***

**Q 32 : Whilst the issue of conditionality of financial support for non-EU stakeholders is at the discretion of the Commission, the stakeholders are invited to share their opinions and views in respect to this proposal of the HLRG. Please, comment below.**

The Energy Community should support countries with their energy strategies, screening them against EU 2030 targets and 2050 climate and energy goals, in order to ensure that only appropriate investments leading to decarbonisation and the sustainable use of renewable resources are encouraged. This can be done through coordination of technical assistance/grants from EU governments and the EBRD to make sure the studies and consequent energy strategies are conducted professionally and to increase public



participation in their preparation. Incentives for the implementation of the acquis should be introduced through conditioning of disbursement of EU funds and facilities on compliance. Moreover, it is crucial not to just promote investments per se, but carefully chosen ones. This means that the Energy Community needs to have increased monitoring and enforcement capacity to ensure that countries' investments do not infringe the EU acquis or risk being regrettable in the medium-long term.

## **F. IMPROVING THE INVESTMENT CLIMATE**

### **I. INCREASE AND MANAGING OF AVAILABLE FUNDING**

The HLRG recommended that **“More funding should be made available in bilateral and multilateral support, as well as in support from international financial institutions (such as the World Bank etc.) and the EU, for technical assistance as well as for investments (at least for Projects of Energy Community Interest).”** and that **“A mandatory (non-binding) opinion of the Energy Community Secretariat should be introduced by donors in their procedures.”**

**Q 33 : The stakeholders are invited to share their opinions and views in respect to these proposals of the HLRG, taking into consideration that the level of financing of the EU Institutions and policies is pre-set for the period 2014-2020. Please, comment below.**

We agree that funding should be made available to assist countries of the Energy Community to develop Energy Strategies and energy efficiency and renewable energy plans which are in line with the EU's energy, climate and environment policies and acquis.

However any funds available for infrastructure investments should support only infrastructure which is in line with the EU acquis (including environmental) and with the EU's long-term climate goals.

This would exclude a number of the current PECI projects, some of which are carbon intensive and others of which are planned in sensitive locations and would most likely not be able to be constructed if the sites were in the EU.

It is crucial not to just promote investments per se, but carefully chosen ones. This means that the Energy Community needs to have increased monitoring and enforcement capacity to ensure that countries' investments do not infringe the EU acquis or risk being regrettable in the medium-long term. More emphasis should also be put on residential energy efficiency projects in order to produce both social and environmentally positive outcomes.

### **II. INVESTMENTS-FRIENDLY AREA**

The HLRG requested that **“An *“investments-friendly area” must be created by reducing risks – and increasing transparency and predictability – on the selling of energy within the territories of Contracting Parties, also by sharing advice and experience on the regulatory frameworks, and planning and managing a coherent transition to an integrated market.*”**

**Q 34 : Do you agree with the assessment made in the Analytical Paper?**

**YES**



**Q 35: Which of the three options do you support the most?**

**Option 1 (b) particular aspects of Option 1 (Level I proposal)**

Undertake a number of measures under current Treaty to improve investment climate.

**If (b), which aspects do you support?**

The following aspects should be included:

Increasing the transparency of the business environment by properly transposing the acquis under the Treaty and making all financial flows (subsidies, cross-subsidies, regulated prices) that an investor faces when investing in the Constructing Parties transparent.

Consultation (not one-way information) with the public. The point is not to convince the public of a pre-determined course of action, as is often currently the case, but to consult and take public and expert opinions into account.

Facilitating project level technical assistance for projects which are in line with the EU acquis and long-term energy and climate policy.

**Q 36 : Do you consider that additional options need to be added?**

**YES**

**If yes, which? What are the impacts in comparison to the status quo? (Please also use this text field for any additional comments.)**

The proposals for strengthening the Energy Community acquis and improving implementation through developing relevant procedures for the notification of state aid and procurement derogations would assist also in the field of reducing corruption and uncertainty for reputable investors.

Implementation of these provisions and anti-corruption action should be a condition for EU and IFI financing for the countries.

### **III. AN ENERGY COMMUNITY RISK ENHANCEMENT FACILITY**

**The HLRG suggested *“the establishment of an Energy Community Risk Enhancement Facility (ECREF) ..., to address risks such as breach of contract by public bodies, retroactive measures, discriminatory taxation, payment default by public entities, and similar risks which are a strong deterrent to both lenders and investors, and are difficult to mitigate effectively.”***

**Q 37 : What is your view regarding the above proposal of the HLRG?**





We are not in favour of moves which transfer the risk from the private sector to the public while the benefits of such arrangements would be mainly for the private sector. It would be more sustainable to improve the implementation and enforcement of the acquis.

#### IV. PLATFORMS OF COMPLEMENTARY PROJECTS

The HLRG recommended that *“The Energy Community could establish “platforms” of complementary or similar projects which reinforce each other (e.g., an “energy security project” or a “networks enhancement project” involving several pieces of infrastructure in several Contracting Parties or neighbouring states), perhaps structured according to a build-operate-transfer model, which could be credit-enhanced as a whole through the ECREF”.*

Q 38 : Do you agree with the assessment made in the Analytical Paper?

NO

Q 40 : Do you consider that additional actions under this option could be undertaken need to be added?

YES

If yes, which? What are the impacts in comparison to the status quo? (Please also use this text field for any additional comments.)

The concept and list of PECIs need to be reviewed before any further support is given. PECIs need to be screened for compliance with EU legislation, including the environmental acquis, and the EU’s long-term climate goals in order to avoid supporting regrettable investments.

#### G. ENLARGING THE ENERGY COMMUNITY

HLRG concludes that the Energy Community, as *“the main multilateral instrument for organizing the European Union’s external energy relations” should be enlarged without putting any geographical limitations to that process. “The Energy Community should declare its interest in specific strategically important countries and/or regions, such as Eastern Partnership countries, Switzerland, Norway and Mediterranean countries.”*

Q 41 : Do you agree with the assessment made in the Analytical Paper?

NO

Q 42 : Which of the three options do you support the most? (Please note these options are not mutually exclusive and may also depend on each other.)

#### Status quo

The Energy Community already looks back to a history of enlargement. Born in the Balkans in the early 21st century, the organization expanded its scope and relevance significantly with the accession of Moldova and



Ukraine in 2010 and 2011 respectively. Georgia is currently negotiating for accession, and there is an increasing interest in the Community by other third countries.

**Q 43 : Do you consider that additional actions under this option could be undertaken need to be added?**

**YES**

**If yes, which? What are the impacts in comparison to the status quo? (Please also use this text field for any additional comments.)**

While we believe that meeting the standards are more important than the geographic location of a prospective signatory party we do believe that the Energy Community already has significant and sufficient challenges in getting the current signatory parties to meet the standards and conditions set out in the legal framework.

This does not preclude the possibility that at some future date - when all the current signatory parties have met the full requirements of the Energy Community legal framework - that the lessons learned for this process could not be applied to other areas.

## **H. COOPERATION WITH ACER AND ENTSOS**

*The HLRG suggest that “In the light of progressive integration of markets, the membership of Contracting Parties’ (Members’) energy regulators in Energy Community Regulatory Board (ECRB) should be gradually phased out and replaced by Contracting Parties’ regulators’ membership in ACER, while keeping the ECRB for energy regulators from Associated Members.”*

**Q 44 : Do you agree with the assessment made in the Analytical Paper**

**DO NOT KNOW**

**Q 46 : Do you consider that additional actions under this option could be undertaken need to be added?**

**DO NOT KNOW**

**Q 47 : Do you agree with the assessment made in the Analytical Paper?**

**DO NOT KNOW**

**Q 48 : Do you support the above request?**

**DO NOT KNOW**

**Q 49 : Do you consider that additional options need to be added?**

**DO NOT KNOW**

**Q 50 : Do you agree with the proposals under option one?**



NO

## I. REFORMING CURRENT ENERGY COMMUNITY INSTITUTIONS

The HLRG suggest that *"As part of the process of increasing the ownership of the Energy Community by Contracting Parties, the budget contribution system should be reviewed, in view of increasing the share of the budget coming from the Contracting Parties. This increase in contributions of the Contracting Parties could consist in offering secondments at the Secretariat, a possibility to also further develop human resources in the Contracting Parties' authorities."*

### I. ENERGY COMMUNITY BUDGET CONTRIBUTION SYSTEM

Q 51 : Which of the three options do you support the most?

**Status quo**

Current system of budget contributions results in a split of contributions at a level of app. 95% from the European Union and 5% from the Contracting Parties.

Q 52 : Do you consider that additional actions under this option could be undertaken and need to be added?

NO

### II. MAKING THE MINISTERIAL COUNCIL MORE STRATEGIC AND UPGRADING THE PERMANENT HIGH LEVEL GROUP

The HLRG proposes to make the Ministerial Council *"focus on strategic issues and leave as many decisions as possible to the PHLG"* and that *"the PHLG should be strengthened so as to exercise its function of the Energy Community's plenipotentiary, high-level and permanent collective decision-making body."*

Q 53 : Do you agree with the assessment of the proposal under option one?

YES

Q 54 : Which of the two options do you support the most?

**Option 1 (Level I proposal)**

The PHLG could function similarly to COREPER and the Ministerial Council could encompass different constellations of ministers representing Contracting Parties

Q 55 : Do you consider that additional actions under this option could be undertaken and need to be added?

NO



### III. STRENGTHENING THE INSTITUTIONAL CAPACITY OF THE SECRETARIAT

The HLRG also proposes that *“the institutional capacity of the Secretariat should be strengthened in terms of providing assistance related to law implementation, including the monitoring of implementation. The Secretariat should carry out a coordinating role in managing EU technical assistance in energy sectors, including investment promotion.”*

**Q 56 : Do you agree with the assessment made in the Analytical Paper?**

**YES**

**Q 57 : Which of the three options do you support the most?**

#### **Option 2 (Level II proposal)**

Increasing of funds to the Secretariat to increase capacities to organise training programmes and assistance in implementation of the legislation and investment projects.

**Q 58 : Do you consider that additional actions under this option could be undertaken and need to be added?**

**YES**

**If yes, which? What are the impacts in comparison to the status quo? (Please also use this text field for any additional comments.)**

We propose that where needed additional highly competent staff be recruited, not necessarily from within the Energy Community Contracting Parties if the expertise does not exist, and thus improve the capacity of the Secretariat not on a voluntary basis, but on a permanent one.

The institutional set-up is something that can best be judged by success in the Treaty's implementation. It is widely agreed that many obligations have so far not been well-implemented, and one of the reasons for this is the lack of monitoring and enforcement capacity of the Secretariat, especially in the environment and social fields. Having one environment specialist and one person covering both oil and social issues cannot bring the desired results.

While implementing this option may involve additional costs with new staff members, the effectiveness and efficiency of the measure will be immediately visible by reducing the existing burden on the very few experts in the Secretariat (particularly environmental and legal ones) and by speeding up the processes in which they are involved (i.e. solving inquiries regarding cases of non-compliance or addressing transposition of *acquis*).

### IV. THE FUTURE ROLE OF THE FORA

The HLRG further suggests that *“the Energy Community Fora should be re-examined case by case in terms of their efficiency, role and relevance. They could be replaced by pan-European Fora also open to the stakeholders in the Contracting Parties, and/or by participation of experts from Contracting Parties in the existing EU Fora. The role of civil society and business in the institutions should be strengthened by granting them an observer role in the PHLG.”*



**Q 59 : Do you agree with the assessment made in the Analytical Paper?**

**YES**

**Q 61 : Do you consider that additional actions under this option could be undertaken need to be added?**

**NO**

**Consumer platform**

**Q 62 : Do you agree with the assessment made in the Analytical Paper?**

**YES**

**Q 63 : Which of the three options do you support the most?**

**Option 1 (Level I proposal)**

Establishment of an Energy Community consumer platform

**Q 64 : Do you consider that additional actions under this option could be undertaken need to be added?**

**YES**

**If yes, which? What are the impacts in comparison to the status quo? (Please also use this text field for any additional comments.)**

Public awareness activities should be implemented in order to help the establishment of the Energy Community consumers' platform.

## **V. FUTURE INVOLVEMENT OF CIVIL SOCIETY AND BUSINESS IN THE INSTITUTIONS**

**The High Level Reflection Group proposes that *"the role of civil society and business in the institutions should be strengthened by granting them an observer role in the Permanent High Level Group"*.**

**Q 65 : Do you agree with the proposals under option one?**

**YES**

**Q 66 : Which of the two options do you support the most?**

**Option 1 (Level I proposal)**

CSOs, granted formal observer status at the PHLG meetings.

**Q 67 : Do you consider that additional actions under this option could be undertaken and need to be added?**

**YES**



**If yes, which? What are the impacts in comparison to the status quo? (Please also use this text field for any additional comments.)**

To make the best of CSOs' fields of competence, they should be granted full access to all the Task Forces and coordination groups within the Energy Community. Judging from the positive outcomes of their participation in the Environmental Task force meetings in which they have provided input that further supported the Secretariat in elaborating guidelines for implementation of specific legislation (to give one example), it is clear that CSOs' contribution is needed and valuable, while the process itself would ensure transparency of functioning of the Energy Community's institutions and bodies.

#### **VI. CREATING AN ENERGY COMMUNITY PARLIAMENTARY ASSEMBLY (ECPA)**

**In July 2014 and September 2014 , Parliamentarians of the Energy Community Contracting Parties called for the establishment of an Energy Community Parliamentary Assembly (ECPA), which would bring together Members of Parliament of the Energy Community Contracting Parties and Members of the European Parliament.**

**Q 68 : Do you agree with the proposals under option one?**

**YES**

**Q 70 : Do you consider that additional actions under this option could be undertaken need to be added?**

**NO**

#### **FINAL REMARKS**

We believe the reform of the Energy Community needs to be in line with all the dimensions of the Energy Union. As Vice-President Šefčovič said during the recent high-level conference in Riga, the Energy Union does not stop at the borders of EU. The Energy Union Strategic Framework must have a forward looking climate policy and will put Europe on a path to full decarbonisation, based on the optimal use of energy efficiency and renewable energy sources. In order to achieve a truly fair integrated energy market, the same principles should be the core of the reformed Energy Community Treaty. To this end, the Energy Community Contracting Parties must adopt a legally binding GHG emissions reduction targets, in line with the one of the EU.

**For more information, please contact:**

Dragana Mileusnic, Energy Policy Coordinator for South East Europe, dragana@caneurope.org; +3228944682

---

**Climate Action Network Europe** is Europe's largest coalition working on climate and energy issues. With over 120 member organisations in more than 25 European countries, CAN Europe works to prevent dangerous climate change and promote sustainable climate and energy policy in Europe.