

Eastern Partnership

Platform 3 Energy Security

CORE OBJECTIVES AND WORK PROGRAMME 2014-2017

The Work Programme of Platform 3 for the period 2014-2017 contributes to the goals of the Eastern Partnership in the energy sector. This Work Programme completes and builds upon the objectives and results of the bilateral Action Plans and Association Agendas. This Work Programme also takes into consideration the priorities stated in the ENI Regional East multiannual indicative programme (2014-2017). It was decided to extend the Work Programme of the four Platforms to a period of four years with a mid-term review.

The Eastern Partnership Platform on Energy Security (hereinafter "Platform 3"), established by the Eastern Partnership Summit of May 2009, met for the first time on 17 June 2009 and has had biannual meetings since then. The activity focused on the broad objectives specified in the Work Programmes for the periods 2009-2011 and 2012-2013.

In particular, the Work Programme for 2012-2013 focused along four activities: approximation of the regulatory framework; development of electricity, gas and oil interconnections and diversification of supply; stakeholder dialogue in energy efficiency and renewable energy; and cooperation in establishing and strengthening a regulatory framework in nuclear safety.

Meetings of Platform 3 were complemented by other initiatives such as a visit to a solar technology centre in Lithuania and a visit to a mini hydro power plant in Georgia. An additional initiative of particular success was the organisation, in cooperation with CEER (Council of European Energy Regulators), of two workshops on energy regulatory issues which took place in May 2012 (Vienna) and in June 2013 (Tbilisi).

The work programme for the period 2014-2017 was discussed preliminarily on 10 July 2013, at the 9th meeting of Platform 3 in Vilnius. During the meeting, participants confirmed the relevance of the four activities of the period 2011-2013 for the objectives of the Platform. It was also proposed to add "conventional and unconventional oil and gas resources" as a fifth activity. The work programme was finally agreed at the 10th meeting of Platform 3 in Brussels on 10 October 2013.

It was also confirmed the need and willingness to exploit synergies and complementarities with other energy initiatives in the region such as the Energy Community, the Baku Initiative and the Black Sea Synergy. The technical cooperation programme INOGATE, including its Secretariat, should continue to support the work of the platform through regional energy projects. Consideration should also be given to the E5P¹ initiative and on the possibility to exploit synergies and complementarity with the activity of the platform.

¹ Eastern Europe Energy Efficiency and Environment Partnership

Taking account of the above, in the period 2014-2017 Platform 3 will focus its efforts on the following activities:

- approximation of the regulatory framework,
- development of electricity, gas and oil interconnections and diversification of supply,
- stakeholder dialogue in energy efficiency and renewable energy,
- cooperation in establishing and strengthening a regulatory framework in nuclear safety,
- conventional and unconventional oil and gas resources.

In its work, the Platform will take into account the provisions of existing legal frameworks such as the Energy Community Treaty, the Energy Charter Treaty, the relevant provisions of Deep and Comprehensive Free Trade Agreements as well as the EU and international rules and practices in the energy sector.

Participant underlined the importance to ensure a broad dissemination of the activities and achievements of the platform to the public. This will also take advantage of the activity of the the Civil Society Forum and in particular Working Group 3 on "Environment, Climate Change & Energy Security".

Given the quick evolution of the energy sector, the activities carried out under the Work Programme can be reviewed and adapted, as appropriate, on the occasion of future Platform meetings. Platform meetings will be complemented by seminars, workshop and onsite visit to energy facilities.

The participants of Platform 3 adopt the following activities and Work Programme for 2014-17 in accordance with the General Guidelines and Rules of Procedure of the Eastern Partnership Multilateral Platforms.

To facilitate regional cooperation among Partner Countries and with EU Member States, it is suggested to organise Platform 3 meetings both in Brussels and in Partner Countries. Meetings in Partner Countries will allow having a 'special focus' on the host country, with presentations dedicated to its energy policy, investment opportunities, and legislative framework. Such dedicated presentation of the Partner Country will permit to share knowledge and expertise in the Eastern Partnership and to foster regional cooperation.

Activity 1: Approximation of the regulatory framework

Approximation of regulatory framework can increase security of supply, competitiveness and sustainability of the energy sector both in the EU and in Partner Countries. Such approximation will contribute to the creation of a stable and predictable legal framework in the region encouraging the large investments required in the energy sector. Moreover it will contribute to security of supply via opening and liberalising energy markets. In turn, a pan-European open market will provide the most competitive energy price for customers (being them industry or households), and it will also allow accommodating an increasing share of variable low-carbon generation in the energy system.

Building upon the experiences and achievements of the Energy Community Treaty and of the Energy Charter Treaty, the activity of the Platform will focus on regulatory issues of common interest. The enlargement of the Energy Community Treaty to Ukraine and Moldova as well as the application for membership of Georgia on the one hand, and its extension to new areas of the EU energy acquis on the other hand, has shown how effective and attractive is cooperation on the regulatory framework.

One particular focus of the work should be on market opening and liberalisation. This includes transparency on the use of energy infrastructures and implementation of a transparent and non-discriminatory access regime to new and existing cross-border transmission infrastructures.

Workshops and training sessions on various aspects of EU and Partner Countries' energy legislation will be organized, building on the successful experience of the two workshops organised in the period 2012-2013 in cooperation with the Council of European Energy Regulators (CEER).

A twinning project between the Italian and the Ukrainian Energy Regulators has been successfully completed; a second one between the Austrian and the Georgian Regulator is currently on-going. The possibility of additional twinning projects between Regulators of the EU and Partner Countries should be considered and encouraged.

Whenever possible, activities should take full advantage of the INOGATE programme and secretariat.

Activity 2: Development of electricity, gas and oil interconnections

Integration of European energy markets requires both a set of common rules in the energy sector and the construction of the necessary infrastructures. Development of electricity, gas and oil interconnections is a gradual process and should take due account of strategic interests and priorities of the interested partners. Integrated energy markets allow for an increased competitiveness, diversification of energy supply sources and transit routes, and lead to an enhancement of the overall energy security of supply. In addition, they facilitate the integration of variable renewable energy sources into the energy system.

This activity will focus on identifying the underlying causes of insufficient infrastructure development in Partner Countries, and on improving the conditions for market-driven infrastructure development.

In addition, it is suggested that participants examine projects of common strategic importance in oil, gas and electricity. These projects should be identified on the basis of predefined and agreed criteria such as regional impact, increased security of supply, reduced environmental impact. Such approach should mirror and be consistent with the activities carried in the EU and in the Energy Community for the identification of "Projects of Common Interest" in the EU and "Projects of Energy Community Interest" in the Energy Community.

Platform meetings will also allow the EU and Partner Countries to regularly exchange updates of their policies on energy security of supply, development of key infrastructure projects, and other relevant legislation.

Activity 3: Energy efficiency and renewable energy

Indigenous sources of renewable energy, if exploited to their full potential, could greatly contribute to energy security by decreasing dependency on imported fossil fuels. At the same time, integrating large electric generation capacities powered by variable renewable sources in the energy system requires to adapt the generation, the transmission and the distribution systems. In many cases, a regional approach can optimise this process.

The EU will continue to share with Partner Countries latest developments in the EU legislation on renewables and energy efficiency and promote the implementation of legislations based on EU standards and principles.

A large range of EU initiatives and programmes aims at promoting investments in sustainable energy. In particular, the Platform will keep supporting the participation in energy efficiency initiatives such as the Covenant of Mayors², for which a special branch of the Secretariat has been established in the Eastern Partnership region (Lviv and Tbilisi).

The Platform will keep facilitating participation of Partner Countries in EU promoted events and seminars in this area. Furthermore, activities in this field will be supported through the INOGATE programme that includes dedicated support in the field of renewable energy and energy efficiency for the Eastern Partnership Countries.

Activity 4: Establishment and strengthening of a regulatory framework in nuclear safety

Several EU Member States and Partner Countries use nuclear energy, and some countries intend to build nuclear power plants in a near future. While decisions on the use of nuclear energy belong to national sovereignties, potential accidents may have implications for other countries. Therefore, the EU and Partner Countries have a common interest for a high level of nuclear safety.

In March 2011, the Fukushima-Daiichi accident in Japan highlighted concerns about nuclear safety, and it has led to consider the necessity of reviewing design safety and operational safety of nuclear power plants. In the EU, it resulted in nuclear safety and risk assessments, to which

² The Covenant of Mayors, a European Commission initiative, is a commitment by signatory towns and cities to go beyond the objectives of EU energy policy in terms of reduction in CO₂ emissions through enhanced energy efficiency and cleaner energy production and use.

other relevant neighbouring countries (from Partner Countries: Armenia, Belarus and Ukraine) have been invited to associate.

In this respect, it is suggested that Platform 3 provides a concrete contribution for strengthening nuclear safety in the Partner Countries. Following the Fukushima-Daiichi accident, the EU decided to establish and proceed with stress tests, aimed at verifying whether safety margins used in the EU nuclear power plants are sufficient to cover various unexpected events. While these assessments are conducted on a voluntary basis, all EU nuclear operators have participated in this exercise and submitted their progress reports on the basis of the established criteria of the stress tests. Similar "stress tests" have been completed or are on-going in Partner Countries whose results will be presented and discussed in Platform meetings.

In general, the EU will update members of the Eastern Partnership on the latest developments and legal initiatives in the area of nuclear safety and radioactive waste management.

Activity 5: conventional and unconventional oil and gas resources

Although Partner Countries as well as the EU Member States have different level of indigenous hydrocarbon resources, discussions and exchange of expertise in this area cannot be neglected. It is therefore proposed that, either in Platform meetings or in dedicated workshops and seminars, presentations will be given on the legislative and regulatory aspects of oil and gas exploration. This exchange of expertise could cover, issues such as safety standards for exploration and production activities, including in the case of offshore operations, regulatory aspects for transparent access to oil and gas exploration.

Besides such exchange on the regulatory area, technical seminars and workshops should be organised to present and share expertise on oil and gas technologies for exploration and production. In this respect, focus should be given to innovative technologies able to maximise the efficiency of operations and the production output. Another area for discussion could relate to technologies to minimize the environmental impact of oil and gas exploration. Consideration should be given not only to conventional resources but also to unconventional oil and gas which could have significant unexploited potential in some of the Partner Countries.