



ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION

Permanent International Secretariat

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Istanbul, 14 November 2013

BS/EN/WG/R(2013)2

**REPORT OF THE
MEETING OF THE BSEC
WORKING GROUP ON ENERGY**

Istanbul, BSEC Headquarters, 14-15 November 2013

1. The Meeting of the BSEC Working Group (WG) on Energy was held in Istanbul, at the BSEC Headquarters, on 14-15 November 2013.
2. The Meeting was chaired by Ms. Ebru ÇAKMAK ÖZCAN, EU Expert, General Directorate of Foreign Relations and EU, Ministry of Energy and Natural Resources of the Republic of Turkey.
3. The following BSEC Member States attended the Meeting:
 - Republic of Albania
 - Republic of Armenia
 - Republic of Azerbaijan
 - Republic of Bulgaria
 - Romania
 - Russian Federation
 - Republic of Turkey
4. The following BSEC Related Bodies also participated in the Meeting:
 - BSEC Business Council (BSEC BC)
 - International Centre for Black Sea Studies (ICBSS)
5. The following Observer attended the Meeting:
 - Czech Republic
6. The following Sectoral Dialogue Partner attended the Meeting:
 - Hungary

7. The following Guest attended the Meeting:

Energy Policy and Development Centre (KEPA), National and Kapodistrian University of Athens

The List of Participants is attached as Annex I.

8. The Draft Agenda of the Meeting was discussed. The Agenda, as adopted by the Working Group, is attached as Annex II.

IMPLEMENTATION OF THE RESOLUTIONS, DECISIONS, RECOMMENDATIONS OF THE COUNCIL OF MINISTERS OF FOREIGN AFFAIRS AND THE FOLLOW-UP OF THE DECLARATIONS AND JOINT STATEMENT ADOPTED BY THE MEETINGS OF THE MINISTERS IN CHARGE OF ENERGY

9. The participants took note of the information provided by the BSEC PERMIS in the context of this item.

THE WAY FORWARD FOR AN ACTION PLAN ON THE IMPLEMENTATION OF THE “BSEC ECONOMIC AGENDA: TOWARDS AN ENHANCED BSEC PARTNERSHIP”

10. The Working Group committed itself to implement the priority goals set by the Economic Agenda, and invited the Member States and the BSEC PERMIS to submit project proposals in line with the above mentioned priorities.

EXCHANGE OF INFORMATION ON RECENT DEVELOPMENTS IN THE FIELD OF ENERGY IN THE BSEC MEMBER STATES AND ON THE DEVELOPMENT OF PROJECTS HAVING REGIONAL IMPACT

11. The participants highlighted the importance of exchange of information on recent developments in the field.

STEPS TO BE UNDERTAKEN IN ORDER TO ADVANCE TOWARDS THE GOAL OF ESTABLISHING OF AN INTEGRATED BLACK SEA ENERGY MARKET

12. The Working Group took note of the information provided by the BSEC PERMIS regarding the elaboration, in cooperation with the BSEC Related Bodies and international organizations, of a draft Memorandum of Intent (MoI), in implementing the Sofia Declaration of the Ministers of Energy of the Member States on the Establishment of an Integrated Black Sea Energy Market and in accordance with the request made by the Working Group at its previous meeting.

13. The Working Group authorized the BSEC PERMIS to further elaborate on the Draft and update the “Proposals regarding the legal framework and other steps for developing an integrated energy market in the BSEC Region” submitted by the BSEC PERMIS for the consideration of the Member States.

14. Furthermore, the Member States are invited to provide their views and suggestions, which will be considered by the BSEC PERMIS while elaborating on the text of the draft MoI.

15. The Working Group decided to continue the consideration of this item at its next meeting.

COOPERATION OF THE BSEC MEMBER STATES IN DEVELOPING ELECTRICAL INTERCONNECTIONS AMONG THEM

16. The representative of the Republic of Turkey presented information on the policy and activities of Turkey in this sector, which could be of interest for the regional cooperation in developing electrical interconnections of the Black Sea. The information is attached as Annex III.

17. The Working Group took note of the information provided by the BSEC PERMIS regarding the implementation of the decision taken at its previous meeting to explore the possibilities of undertaking a study on developing electrical interconnections in the BSEC Region.

18. So far, Georgia and Romania expressed their views in the issue officially (BSEC PERMIS Notes: BS/INFO.2013.0649 and BS/INFO.2013.0656, dated 4 November 2013).

19. With this regard, the Working Group decided:

- to invite the Member States, who have not done so, to communicate through the BSEC PERMIS their observations and proposals on the feasibility of such a study;
- to request the BSEC PERMIS to continue to explore with other international organizations and institutions the possibilities of ensuring the necessary financial resources for conducting the feasibility study;
- to continue the discussion on this issue at its next meeting.

20. The representative of the Republic of Azerbaijan welcomed the idea of undertaking a study on developing electrical interconnections. A brief information regarding the cooperation with the neighboring countries will be provided shortly.

COOPERATION OF THE BSEC MEMBER STATES IN EXPLORATION AND EXTRACTION OF HYDROCARBON RESOURCES OF THE BLACK SEA

21. The representative of the Republic of Turkey presented information on the activities of Turkey in this sector and invited the Member States to share information regarding their activities in the exploration and extraction of hydrocarbon resources of the Black Sea at the next meeting of the Working Group.

COOPERATION OF THE BSEC MEMBER STATES IN THE ENHANCEMENT OF THE GAS INFRASTRUCTURE DEVELOPMENT

22. The Working Group took note of the information provided by the BSEC PERMIS in the context of this item.

IMPROVEMENT OF INVESTMENT OPPORTUNITIES IN THE ENERGY SECTOR OF THE BSEC MEMBER STATES FOR UPGRADING INFRASTRUCTURE AND PROMOTING ENERGY EFFICIENCY IN THE BSEC REGION

23. The Working Group took note of the information provided by the BSEC PERMIS in the context of this item.

STRENGTHENING COOPERATION BETWEEN BSEC AND OTHER INTERNATIONAL ORGANISATIONS AND AGENCIES IN THE FIELD OF ENERGY

24. The Working Group took note of the information on this issue presented by the BSEC PERMIS and instructed the latter:

- to continue the consultations with the secretariats of other international and regional organizations and agencies active in the energy sector, with the view to identifying and implementing projects and activities that correspond to the priorities of cooperation among the Member States;
- to enhance cooperation with international organizations and institutions in the field of energy and, to the extent possible, participate in the events and initiatives which are of interest for the Organization of BSEC.

25. The Director of the Energy Policy and Development Centre (KEPA), National and Kapodistrian University of Athens, informed about the activities of KEPA which can be of interest for the BSEC Member States.

26. The Working Group invited the Member States, Related Bodies, Observers and Sectoral Dialogue Partners to inform, through the BSEC PERMIS, of any developments relevant to the cooperation in the field of energy within the BSEC framework.

PROJECT DEVELOPMENT FUND: PROJECT APPLICATIONS IN THE FIELD OF ENERGY

27. The Working Group took note of the information provided by the BSEC PERMIS in the context of this item.

REPORT OF THE MEETING OF THE GREEN ENERGY DEVELOPMENT TASK FORCE

28. The Working Group took note of the Report of the Meeting of the Green Energy Development Task Force (Istanbul, 13 November 2013).

IMPLEMENTATION OF THE BSEC PUBLIC COMMUNICATION STRATEGY

29. The Working Group took note of the information provided by the BSEC PERMIS in the context of this item and decided:

- to invite the Member States to consider BSEC as a partner in co-organizing the energy events with the purpose to raise the visibility of BSEC;
- to invite the Member States to inform, through the BSEC PERMIS, about their views on the proposal to launch a BSEC Energy Conservation Campaign, as it is provided for by the "Proposals regarding the Implementation of the BSEC Public Communication Strategy to Increase the Visibility of BSEC".

30. The Working Group decided to continue the consideration of this item at its next meeting.

COMMUNICATION BETWEEN BSEC PERMIS AND THE MEMBER STATES

31. The Working Group took note of the BSEC PERMIS proposals regarding the improvement of the communications between the BSEC PERMIS and the Member States and decided to continue consideration of this issue at its next meeting.

ANY OTHER BUSINESS

32. The Republic of Armenia, Chairman-in-Office of BSEC, called upon the Member States to take further efforts in securing the expert level participation in the next meetings of the Working Group.

33. The Republic of Turkey, Country-Coordinator of the Working Group on Energy, made a similar call to the Member States to get concrete contributions to the implementation of the BSEC Economic Agenda in the field of energy.

DATE AND VENUE OF THE NEXT MEETING

34. The date and venue of the next meeting of the Working Group will be communicated to the Member States through BSEC PERMIS.

ADOPTION OF THE REPORT

35. The participants adopted the present Report for its submission to the BSEC Committee of Senior Officials and the Council of Ministers of Foreign Affairs for their consideration.
