

#### ORGANIZATION OF THE BLACK SEA ECONOMIC COOPERATION

### **Permanent International Secretariat**

Sakıp Sabancı Cad., Müşir Fuad Paşa Yalısı, Eski Tersane, 34467 Emirgan – Istanbul/Turkey Tel: ++90 212 2296330-35 Fax: ++90 212 2296336

E-mail: info@bsec-organization.org www.bsec-organization.org

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

### BSEC Headquarters, 12-13 May 2015

- 1. The Meeting of the BSEC Working Group (WG) on Energy was held at the BSEC Headquarters, on 12-13 May 2015.
- 2. The Meeting was co-chaired by Mr. Petru BUTUCEL, Consul of the Consulate General of the Republic of Moldova in İstanbul, and Ms. Halime SEMERCİ, Head of Department, 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 Armenia Republic of Azerbaijan Republic of Bulgaria Hellenic Republic Republic of Moldova Romania Russian Federation Republic of Turkey Ukraine

4. The following BSEC Related Body also participated in the Meeting:

International Centre for Black Sea Studies (ICBSS)

5. The following BSEC Observers attended the Meeting:

Republic of Belarus Energy Charter Secretariat

6. The following Guest attended the Meeting:

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

- 7. The List of Participants is attached as <u>Annex I.</u>
- 8. The Draft Agenda of the Meeting was discussed and adopted. The Agenda, as adopted by the Working Group, is attached as <u>Annex II.</u>

# AGENDA ITEM 2: 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 Working Group took note of the information provided by the BSEC PERMIS on the status of the implementation of the previous Resolutions and Decisions of the Council related to the work of the Working Group on Energy and the follow-up of the Declarations and Joint Statements adopted by the Meetings of the Ministers in charge of Energy.

AGENDA ITEM 3: STEPS TO BE UNDERTAKEN IN ORDER TO ADVANCE TOWARDS THE GOAL OF ESTABLISHING OF AN INTEGRATED BLACK SEA ENERGY MARKET (special session with the participation of experts from energy regulators of the Member States and from relevant international and regional institutions)

- 10. The participants exchanged views on this issue and agreed that the establishing "An Integrated Black Sea Energy Market" is challenging to be realized in short term prospective.
- 11. In this regard, the Working Group came to the conclusion that the discussion with regard to this end should take place at a higher level.
- 12. Furthermore, the participants agreed to continue discussion within the Working Group on other new tools for further promoting energy cooperation.

#### **AGENDA ITEM 4: GREEN ENERGY**

### a) Development of a Green Energy Strategy Paper of the BSEC Member States

- 13. The participants exchanged views on the draft document and agreed that it needs to be revised.
- 14. The participants took note of the comments of the Ministry of Mining and Energy of the Republic of Serbia to the draft Green Energy Strategy Paper.
- 15. The Working Group decided to consider the issue at its next meeting and the Member States were invited to continue to contribute to the development of the document.

- b) Creation of a Network of cooperation between national administrative bodies and/or centers and organizations mandated to promote Renewable Energy Sources and Energy Efficiency measures and policies
- 16. The representative of KEPA briefed the participants on the work done for the creation of a Network of cooperation between national administrative bodies and/or centers and organizations from the BSEC Member States mandated to promote Renewable Energy Sources and Energy Efficiency measures and policies.
- 17. The participants exchanged views on the issue.
- 18. The Working Group invited the Member States to nominate the interested national governmental bodies, academia and research institutions active in the area of Green Energy to participate at the Network.
  - c) Cooperation of the Member States in promoting Green Energy investments and the development of environmentally friendly energy technologies, Renewable Energy Sources and Energy Efficiency projects
- 19. The delegation of the Republic of Turkey informed that a BSEC Conference on Investment Promotion in Green Energy is planned to be convened in 2016.
- 20. The delegation of the Republic of Azerbaijan expressed its support and readiness to contribute to the implementation of the proposal of the Republic of Turkey to develop a portal in the BSEC website, presenting the renewable energy resource mapping in the BSEC region.
- 21. The Member States were invited to inform through the BSEC PERMIS on their national renewable energy resource mapping if such mappings have been developed.
- 22. The participants took note of the information regarding the "Training Program on Energy Efficiency and Management in Industry" organized on 4-15 May 2015 in Ankara.

## AGENDA ITEM 5: COOPERATION OF THE BSEC MEMBER STATES IN EXPLORATION AND EXTRACTION OF HYDROCARBON RESOURCES OF THE BLACK SEA

23. The delegations of the Republic of Bulgaria and the Republic of Turkey presented information about the activities in their countries in exploration and extraction of hydrocarbon resources of the Black Sea.

# AGENDA ITEM 6: IMPROVEMENT OF INVESTMENT OPPORTUNITIES IN THE ENERGY SECTOR OF THE BSEC MEMBER STATES FOR UPGRADING INFRASTRUCTURE AND PROMOTING ENERGY EFFICIENCY IN THE BSEC REGION

24. The delegation of the Russian Federation underlined the importance of development of the energy sector, as well as promotion of the energy efficiency in the BSEC Member States.

- 25. The Working Group took note of the willingness of the Russian Federation to undertake the responsibilities of the Country Coordinator of this Working Group as of 1 July 2015, for the next period of two years.
- 26. The Russian delegation emphasized that one of the priorities of their Coordinatorship would be the promotion of energy efficiency in the BSEC region.

AGENDA ITEM 7: COOPERATION OF THE BSEC MEMBER STATES IN DEVELOPING ELECTRICAL INTERCONNECTIONS AMONG THEM (special session with the participation of experts from the Member States, the Black Sea Regional Transmission System Planning Project-BSTP and other relevant international institutions and agencies)

- 27. The Working Group took note of the information provided by the BSEC PERMIS on the issue.
- 28. The representative of the Energy Charter Secretariat made a presentation on "Regional Electricity Cooperation in South Caucasus". The presentation is attached as <u>Annex III</u>.
- 29. The participants exchanged views on the issue and took note of the recent and future activities in the framework of the Energy Charter.

## AGENDA ITEM 8: STRENGTHENING COOPERATION BETWEEN BSEC AND OTHER INTERNATIONAL ORGANISATIONS AND AGENCIES IN THE FIELD OF ENERGY

30. The Working Group took note of the information provided by the BSEC PERMIS.

### AGENDA ITEM 9: RECENT DEVELOPMENTS IN THE FIELD OF ENERGY IN THE BSEC MEMBER STATES

- a) Exchange of information on the development of projects having regional impact
- 31. The delegation of the Russian Federation briefed the Working Group on the developments regarding the "Turkish Stream" pipeline project.
  - b) Exchange of views on the Project Proposal on "Launching a BSEC Energy Conservation Campaign" submitted by the BSEC PERMIS
- 32. The BSEC PERMIS provided background information on the Project Proposal on "Launching a BSEC Energy Conservation Campaign" elaborated by the BSEC PERMIS.
- 33. The delegation of the Republic of Azerbaijan expressed its support to the proposal.
- 34. The participants agreed to continue discussing this issue during the next meeting of the Working Group.

### c) Gas infrastructure development

35. The participants agreed to discuss the issue at the next meeting of the Working Group.

### AGENDA ITEM 10: BSEC PROJECT DEVELOPMENT FUND (PDF) AND PROJECT MANAGEMENT UNIT (PMU) PROJECTS

- 36. The BSEC PERMIS provided information on the shortage of funds available for the PDF which is the financial instrument of BSEC for supporting the pre-feasibility studies of projects.
- 37. The Working Group took note of the information presented by the BSEC PERMIS on the evolution and Guidelines of the PMU.
- 38. The Member States were invited to submit project proposals in compliance with the said Guidelines which were disseminated during the meetings of the Working Group.

## AGENDA ITEM 11: YOUTH AND SPORTS ISSUES IN THE AGENDA OF THE WORKING GROUP ON ENERGY

39. The Working Group took note of the proposal of the Ministry of Youth and Sport of the Republic of Turkey on "Promoting to hold educational programs for students in the field of green energy and energy conservation". It was stressed that non-governmental organizations in the youth field could be encouraged to organize events like workshops, meetings and trainings for the purpose of raising awareness of young people about green energy and energy conservation, and that the high school students who are the members of youth centres could be provided with the educational programs in the field of green energy and energy conservation.

### **AGENDA ITEM 12: ANY OTHER BUSINESS**

40. No issue was raised under this agenda item.

### **AGENDA ITEM 13: DATE AND VENUE FOR THE NEXT MEETING**

- 41. The participants took note of the proposal of the BSEC PERMIS to convene the next meeting of the Working Group on Energy on 19-20 November 2015.
- 42. The date and venue of the next meeting of the Working Group will be communicated to the Member States through the BSEC PERMIS, after the approval of the Calendar of Events of the incoming Romanian BSEC Chairmanship-in-Office.

### **AGENDA ITEM 14: ADOPTION OF THE REPORT**

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

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