

## Address by the Senior Expert on Infrastructure and Energy of the Regional Cooperation Council (RCC), Miroslav Kukobat

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Ladies and Gentlemen,

First of all, I wish to welcome you all and to thank you for participating at the conference, as well as to extend my gratitude to our partners for co-organising this event who, by promoting key energy aspects, contribute to improving regional cooperation in this important area.

As you know, Energy Community (EnC), established with the aim to facilitate implementation of Energy Community Treaty (ECT) by countries from the region, is recognised as the main framework for regional cooperation in energy. The role of Regional Cooperation Council (RCC) in energy is largely profiled by it; it is complementary to the EnC process and promotes topics and activities that are not or not sufficiently covered by the EnC. In terms of this, in 2008, the RCC initiated and with substantial support by the Energy Community Secretariat (ECS) implemented series of parliamentary workshops (regional and national) in order to draw attention of the parliamentarians to the significance and consequences of participation of countries from the region in ECT and thus, facilitate preparation and adoption of necessary laws and enhance MP's capacities to better oversee the activities of their respective governments. Given the recent initiative by the ECS Director that the Secretariat cooperates with the RCC in creating stronger links with the members of parliaments from the region and in establishing the Energy Community Friend Group consisted of MPs from the ECT contracting parties, as well as given the election cycles and constant changes in the composition of parliaments, the cooperation with parliaments will continue to be one of our activities.

The RCC also promotes wider cooperation among sectorial regional initiatives necessary to adequately respond to the growing multidisciplinary challenges and to reach optimal, sustainable consensus-based solutions by involving various sectors and more stakeholders from various levels.

I would also like to mention that the RCC, together with the Central European Initiative (CEI), launched Sustainable Energy Development Regional Initiative. The initiative was launched based on the GAP analysis which demonstrated that beneficiary countries prefer concrete projects that generate economic, energy and environmental benefits over the hard copies – various analyses and studies, and also projects with significant replication potential and potential for information exchange and dissemination. Beneficiary countries have also recognised the need to strengthen the bottom-up approach in order to complement the predominantly used top-down approach. The main objectives of the Initiative include promoting development of small-scale sustainable energy capacities in each interested country, transfer of good practices and technologies, strengthening the links between bottomup and top-down players and improvement of regional cooperation and synergy of activities with other international organisations and initiatives as well as with and among the beneficiary countries. In the forthcoming period, the focus will be put on outputs of the planned national consultations in order that through mapping priority national needs using the bottom-up approach generate a focused regional activity – one or several realistic regional project proposals for which as many countries of the region as possible would express their interest.

Concentrating its work on fewer priority and result-oriented activities along with developing close relations with national institutions and regional structures, and based on good knowledge of the region, its needs and EU requirements in the accession process, the RCC prepared its second Strategy and Work Programme 2014-2016, the central pillar being South East Europe Strategy 2020 (SEE 2020). The RCC is coordinating the preparation, following which it will also coordinate the implementation of SEE 2020, a job-creating growth and EU integration strategy, and a regional response to EU 2020 strategy, adjusted to the priority needs and specific conditions in the region. Similar to EU 2020, the SEE 2020 strategy will address smart growth – smart economy based on knowledge and innovation; sustainable growth – green economy, promoting sustainability, efficient use of resources and competitiveness; and inclusive growth – growth that provides high employment rates and enables social and territorial cohesion. Adjusting to the region's needs, the SEE 2020 introduces two specific pillars: integrated growth – with the aim of larger integration of regional markets, and growth administration – that provides framework for development of administrative and institutional capacities, and fight against corruption.

The aim of SEE 2020 is to develop a vision of comprehensive long-term regional development with clear objectives, indicators and policy measures in order that regional cooperation would be implemented along the lines of national priorities in the areas of smart, sustainable, inclusive and integrated growth, under the framework of the comprehensive growth administration. These priority areas include 14 strategic dimensions, managed by the dimension coordinators in line with their expertise. The strategy puts regional cooperation into a clear and coherent framework, linking national priorities with regional platforms and identifying the most significant gaps that need to be addressed in long-term. Due to its complexity, it will be supported by governments, i.e. at the highest political level, and provide

basis to efficiently address the priorities of region's economic development in order to make the region more competitive and closer to the EU.

Energy challenges will be considered within the Efficient Use of Resources dimension of the SEE 2020 Sustainable Growth priority area, which includes both climate and other environmental aspects, in order to strengthen region's response to these growing multidisciplinary challenges. Addressing the mentioned challenges through increasing investments into energy and environmental infrastructure, energy efficiency, renewable energy sources and clean technologies that use fossil fuels, as options leading to the zero-emission economy, represents the most efficient ways to increase provision of energy supply and fight against economic and financial crisis.

Along with the 2 targets taken from the Energy Community regarding the share of renewable energy in final energy consumption in 2020 and improvement of efficient use of energy by achieving energy savings of at least 9% in the final energy consumption by 2018, the RCC will, in collaboration with the Efficient Resource Use Dimension Coordinator (Regional Environmental Centre) and Vienna Institute for International Economy Studies, and in close cooperation with the countries from the region and with support by the European Commission, define other priorities, objectives, indicators and appropriate measures and actions that will contribute to integration of energy, climate and other environmental aspects into a wider context of economic growth.

After its adoption by the end of year, SEE 2020 will represent a basis for focusing attention and resources in order to jointly – regionally tackle the main development and growth challenges, ensure larger efficiency and responsibility through development of relevant, assignable, harmonised and verifiable advancement tools, and in light of their EU membership aspirations, align countries' policies and strategies with the EU standards and experiences.

The intention is to create a harmonised framework in the process of regional cooperation where all participants have clear roles and responsibilities in attaining the agreed SEE 2020 objectives. Therefore, all relevant regional organisations such as CEFTA, EnC, Regional School of Public Administration, Education Reform Initiative and many others participate in development of the strategy and will have a very important role in the implementation process. Naturally, various national institutions, primarily relevant line ministries, will have a key role in the process. A number of international stakeholders such as the EU, OECD, Council of Europe and World Bank will also provide their support.

Finally, I wish you all successful work, and I would also like to express full readiness of the RCC to consider all that will be initiated by this important regional conference, especially things that demonstrate significant potential to complement thus far regional efforts and further enhance regional cooperation. In addition to this, the RCC stands ready to follow the developments and, in line with them, propose concrete forms of support. Of course, it is necessary to at all times pay attention to the overall regional policies and developments in

order to avoid any risk of overlapping or duplicating the efforts and unnecessary waste of resources.

Thank you for your attention!