

BS/EN/WG/R(96)1

REPORT

OF THE

MEETING OF THE WORKING GROUP

ON ENERGY

AT THE LEVEL OF DEPUTY MINISTERS

Moscow, 30 September 1996

1. The Meeting of the Working Group (WG) on Energy of the Black Sea Economic Cooperation (BSEC) was held at the level of the Deputy Ministers of Energy of the Participating States on 30 September 1996 in Moscow, Russian Federation.

2. The Meeting was chaired by H.E. Mr. Vitaly V. BUSHUEV, Deputy Minister of Fuel and Energy of the Russian Federation.

3. The Meeting was attended by the following Participating States of the BSEC:

Republic of Albania Republic of Armenia Republic of Azerbaijan Republic of Bulgaria Georgia Hellenic Republic Republic of Moldova Romania Russian Federation Republic of Turkey Ukraine

4. The representatives of the Arab Republic of Egypt and the Slovak Republic attended the Meeting as Observers.

The list of participants of the Meeting is attached as Annex I.

5. H.E. Mr. Vitaly V. BUSHUEV made an inaugural speech. The text of the speech is attached as Annex II.

6. The draft agenda of the Meeting was discussed and adopted. The agenda, as adopted by the WG, is attached as Annex III.

REVIEW OF THE ENERGY SITUATION IN THE BSEC REGION; TARGETS AND TASKS IN THE FIELD OF ENERGY COOPERATION

7. Within the framework of agenda item 2 the national delegations presented their reports on energy situation in their respective countries, including their governments' long and short-term plans for the energy sector development.

8. The participants paid special attention to the perspectives of their countries' collaboration in the energy field within the BSEC region including .

9. Having agreed that the BSEC WG on Energy should play a key role in such a collaboration, they pointed out the importance of coordinating actions of the BSEC countries with respect to developing energy field in the region with the participation of other international structures and institutions and in particular in energy production, distribution and trade of energy as well as its sources.

10. The WG recommended that the BSEC Secretariat should study in cooperation with the Republic of Armenia and other interested Participating States the possibility of setting up of the information data system on energy.

11. The participants further agreed that the prospects of energy cooperation in the Black Sea Region should be brought to the attention of the Moscow Meeting of the Heads of State or Government of the Participating States to be held on 25 October 1996.

The WG requested the national delegations to elaborate their countries positions, specifying the ideas and proposals on concrete projects to be consequently used as a BSEC program of actions and inform the BSEC PERMIS on this score by 16 October 1996.

12. The WG had an exchange of views on the future work related to the preparation of the second issue of the study "Energy situation in the BSEC region" and agreed on:

- the contents of the study, elaborated by the PERMIS (attached as Annex IV);

- proposals regarding the basic data, proposed by the UN Economic Commission for Europe.

13. The WG also agreed that the requested data for the study be forwarded respectively to the BSEC PERMIS and to Energy Division of the UN ECE by 30 December 1996 providing that the draft conclusions on the processed data will be considered during the next meeting of the WG in 1997.

INTERCONNECTIONS OF THE BSEC COUNTRIES' POWER SYSTEMS, TECHNICAL AND ECONOMIC BASIS FOR THE INTERCONNECTIONS

14. The WG had a thorough exchange of views on the work of the ad hoc WGE on Electrical Networks with regard to the concept of the BSEC project "Interconnected Regional Power Systems" (BSEC IRPS).

15. Having considered the report of the meeting of the said group (Annex V) which took place the day before, the Deputy Ministers appreciated the work done by the "Energosetproject" Institute (Moscow) for elaboration of the concept of the project and asked it to be further as a coordinating body during the following stages of the project.

Delegations of the Republic of Bulgaria and Romania will provide their comments on the concept by 1 November 1996.

16. The WG recommended that a Memorandum on cooperation in implementing of the project "Interconnected Regional Power Systems" (Annex VI) be signed by the interested parties.

17. During the meeting the Memorandum was signed by the following countries: Albania, Armenia, Azerbaijan, Georgia, Greece, Moldova, Russia and Ukraine.

18. The WG requested the Participating States which have not signed this document to decide on it and to specify by 1 November 1996 the contracting parties which will represent them in the project in question and inform the BSEC Secretariat so that the memorandum be signed by all the participants by the end of 1996.

19. Having discussed the conclusions of the project concept prepared by the Working Group of Experts, the Deputy Ministers agreed on the following:

19.1. Continue the study on interconnecting of electrical power systems within the frame of the respective BSEC project.

19.2. The Terms of Reference (TOR) and the preliminary estimation of the work on the feasibility study shall be prepared by the WGE and approved by the Participating States and submitted thereafter to the Secretariat.

19.3. The Secretariat is requested to prepare, in consultations with the Participating States, proposals regarding the financial sources for the feasibility study.

19.4. Advise the Participating States - parties of the project to set up special national "task-force" groups on the feasibility study elaboration.

19.5. Concrete steps in the process of realization of the said project should be taken with due respect to the environmental aspects.

19.6. Continue the activities of the ad hoc Working Group of Experts on Electrical Networks which should serve as a consultative and coordinating body headed by the "Energosetproject" Institute.

19.7. Advise the BSEC Secretariat to hire consultants for undertaking the activities related to the elaboration of the feasibility study.

19.8. Taking into account the need for the strengthening of the PERMIS capacity in dealing with the energy problems in the BSEC region the Deputy Ministers recommended that the Eighth MMFA approve the establishment of a professional post of a specialist for energy matters in the Secretariat staff.

ESTABLISHMENT OF THE BLACK SEA ELECTRO-ENERGY ASSEMBLY (ASSOCIATION)

20. Within the framework of this agenda item the participants exchanged views on the proposal put forward by the Russian Federation regarding the establishment in the region of the Black Sea Electro-energy Assembly.

21. The WG found the proposed idea a very interesting one and took note of the Draft documents on the Assembly elaborated by the Russian side.

22. It was agreed that the Participating States wishing to join the Assembly may inform of the fact as well as of their comments on the above draft documents the BSEC PERMIS, preferably by 1 December 1996.

ANY OTHER BUSINESS

23. The WG took note of the information presented with regard to the activities of the Black Sea Regional Energy Center located in Sofia.

24. The Deputy Ministers underlined the importance of coordinated actions of the BSEC WG on Energy and of the said Center in the regional energy cooperation.

EXPRESSION OF THANKS

25. The delegations expressed their sincere gratitude to the Government of the Russian Federation and to the RAO "EES Rossii" which sponsored the Meeting for the hospitality extended to them and for the excellent arrangements made for this Forum.

DATE AND VENUE OF THE NEXT MEETING

26. The WG agreed that the date and venue of its next meeting would be communicated to the Participating States through the BSEC Secretariat.

ADOPTION OF THE REPORT

27. This Report was adopted by the WG for submission to the Eighth MMFA.