



BS/EN/WG/R(94)1

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

Varna, 19-20 October 1994

1. The Meeting of the Working Group (WG) on Energy was held on 19-20 October 1994 in Varna, Bulgaria.
2. The Meeting was chaired by the Vice President of the Committee of Energy of the Republic of Bulgaria, Prof. Dr. Sc. Lazar Petkanchin.
3. The Meeting was attended by the following Participating States of the BSEC:

Republic of Albania
Republic of Bulgaria
Republic of Georgia
Greece
Republic of Moldova
Romania
Russian Federation
Republic of Turkey
Ukraine
4. The representatives of Egypt, Israel, as well as of the BSEC Council and the International Black Sea Club attended the Meeting as observers.
5. The Meeting was also attended by the representative of the UN Economic Commission for Europe as a guest.
6. The list of participants of the Meeting is attached as Annex I.
7. Mr. N. Shervashidze, President of the Committee of Energy of the Republic of Bulgaria, made an inaugural address to the Meeting.

The text of the speech is attached as Annex II.

8. The draft agenda and the program of the Meeting were discussed and adopted. The agenda, as adopted by the WG, is attached as Annex III.

CONSIDERATION OF THE GUIDELINES OF THE WG

9. Under agenda item 2 the WG considered the Guidelines of the Working Group on Energy approved by the ad hoc Working Group on Organizational Matters and agreed upon that the Guidelines could be the basis for the WG's future activities..

EXCHANGE OF INFORMATION RELATED TO THE ENERGY SITUATION

10. Under agenda item 3 the delegations presented their information concerning the energy situation in the BSEC Participating States and had an extensive exchange of views on this subject.

11. Having considered the problems the States are facing in the field of energy, including difficulties due to differences in the existing national regulations and standards, the WG came to the conclusion that some joint actions of an urgent character should be studied with an aim of improving the energy situation in the Black Sea region.

12. The delegations expressed the view that the environmentally-oriented approach should be taken into account in the elaboration of energy policy decisions.

13. The WG noted the potential role of the European Energy Charter in facilitating cooperation in the energy sector.

14. The WG instructed the Secretariat to edit and publish the statements of the delegations as a separate booklet devoted to the energy situation in the Black Sea region.

POSSIBILITIES OF ENERGY TRADE

15. Under agenda item 4 the delegations exchanged views on the possibilities of extending energy trade among the Participating States.

16. Having discussed ideas regarding the evolution of an energy market in the region, the WG came to the conclusion that the subject should be studied further, taking into consideration the demand for energy and resources in the states of the region as well as appropriate energy infrastructure.

17. It was understood that an energy market, in addition to cross-border trade of energy goods can also consist of help in implementing and financing investment projects

in the context of objective least cost analysis and the operation of the competitive market, as well as exchanges of information and know-how in improving energy efficiency, demand-side management, environmental protection.

PROPOSALS REGARDING POSSIBLE JOINT PROJECTS

18. Under agenda item 5 the delegations and the representative of the BSEC Council presented their proposals regarding some multilateral projects to be realized within the BSEC and recommended that this subject be further considered at the next meetings of the WG.

19. The WG requested the BSEC Secretariat to compile relevant proposals and data and forward a list of possible joint projects to all the Participating States for their consideration.

EXPRESSION OF THANKS

20. The participants expressed their thanks to the Government of the Republic of Bulgaria for hosting the Meeting and for the excellent arrangements as well as the warm hospitality extended to them.

DATE AND VENUE OF THE NEXT MEETING

21. The WG welcomed the proposal of Greece to host the next meeting of the WG on Energy in February of 1995.

ADOPTION OF THE REPORT

22. The WG adopted the present report for submission to the Fifth Meeting of the Ministers of Foreign Affairs.
