EXTERNAL REPORT

ENERGY SECURITY SEMINAR

The Regional Dimension and the Need for Diversification

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Rakitje, Croatia
In the recent years our neighbourhood bore witness to significant adverse political developments, followed by financial and economic instability that also affected the energy sector. Those events have shown that access to energy is not just an economic, but a security issue as well.

When it comes to energy, common EU policies call for an effective energy market which needs to rely on enhanced interconnections that guarantee its constant supply. This is ensured by identifying a shared standpoint of the vulnerable supply point or a vulnerable consumer. Finally, there is a need for a coherent regulatory approach to be established.

It is also important to mention the new dimension of energy security and the threat to critical infrastructure in general. Protection of the facilities has to be taken into consideration as it is of essential importance since addressing security-related issues can significantly contribute to fostering regional dialogue in particular.

Closer cooperation among the key players in the field of energy security, involving experts and policy makers, seems to be crucial for energy stability and security. The cooperation should be established through joint approaches, especially when it comes to the implementation of concrete projects. Interactive efforts by national institutions and international organizations are needed, whenever possible, since energy-related issues are still among some of the main objectives for the EU and countries in the SEE region.

RACVIAC - Centre for Security Cooperation has initiated an Energy Security project that was carried out both in its Programme 2015 and Programme 2016. The Conference „Regional Approach to Energy Security” (March 2015, Bucharest, Romania) was the first event in the series.

The event was jointly organized by RACVIAC and the Ministry of Foreign Affairs (MFA) of Romania with the aim to present a platform to share experiences at the regional level and facilitate a common understanding of the concept of energy security in SEE.

From 07 to 09 June 2016 RACVIAC, with Romania as a leading RACVIAC Member in the energy security field, and the Croatian Ministry of Economy, organized a “Seminar on Energy Security: The Regional Dimension and the Need for Diversification”, which was held in Rakitje, Republic of Croatia. The Seminar was a follow-up event to the Bucharest regional Conference on energy security, aiming to extend regional dialogue on energy security. The event offered the possibility for RACVIAC Members to focus on the challenges, risks and threats to energy security and to commonly assess issues related to critical energy infrastructure protection. The exchange of ideas among participants proved to be a useful exercise to better understand the level of engagement and different
specificities of the countries in the SEE region, set against the background of a more integrated energy market in Europe.

The focus of this year's Seminar was set on the recent developments and added additional significance to an already dynamic and demanding energy security milieu. Noting the need to constantly adapt to the ever changing environment, involved stakeholders are expected to share and further express their views on the future of the regional energy market, as well as on the most efficient approaches to the current energy security challenges.

Moreover, the discussions also touched upon the new programmatic documents adopted at the European level (such as the Energy Union Strategy package and the European External Action Service Energy Diplomacy Action Plan) which comprehensively assessed the current state of play and at the same time promoted ambitious projects for Member States and their partners alike.

The event lasted two days and was structured around lectures, presentations, and discussions. It also included a Welcome Reception at the Embassy of Romania in Zagreb and a brief study visit to the LNG site on the Island of Krk.

In his opening address, RACVIAC Director, Ambassador Haydar Berk, welcomed the Ambassador of Romania to the Republic of Croatia, H.E. Cosmin Dinescu, and Ms. Kristina Ćelić from the Ministry of Economy of the Republic of Croatia, who also addressed the audience in their Opening remarks. Ambassador Berk noted that the objective of the Seminar is to promote a transparent dialogue on energy security and to focus on the challenges, risks and threats to energy security and commonly assess issues related to critical energy infrastructure protection.

Over the course of the first day of the Seminar the lectures and presentations consisted of two sessions. The first session was dedicated to “Energy Security – Building Synergies between Outreach Strategies and Regional Development”. The presentations were given by Mr. Dan Nicolae Ionescu (Alternate Head of the Economic Department of Energy Policies in the Romanian MFA); Mr. Vasilie Iuga (PWC Romania), and Mr. Gianfranco Bochicchio (Coordinator for the Working Party on the Western Balkans in the EEAS).
The second session was titled “Ensuring the Integrity of Energy Infrastructure – Regulations and the Physical Vulnerability” where through a video teleconference the participants had the opportunity to hear the presentation by Mr. Andrew Wright (Operations Division, and Civil Emergency Planning in NATO HQ). The session continued with the presentation that was given by Ms. Kristina Čelić (Directorate for Energy and Mining in the Ministry of Economy of the Republic of Croatia).

The sessions were followed by presentations by the representatives of the participating delegations from AL, BA, MK and ME. The Seminar was attended by participants from all RACVIAC Members (two from AL, two from BA, one from HR, two from MK, two from ME, two from RO, one from RS and one from TR), and 3 participants from Kosovo*.

During the closing remarks, Mr. Iuga highlighted the following conclusions:

- There is a high degree of consensus among the countries in the region on a number of issues concerning energy security;
- Energy security is seen as an integral part of national security;
- Currently, attention must be directed towards energy projects of a smaller scale;
- There is a major interest for regional interconnection which can be funded through European mechanisms and platforms that have already expressed their interest for energy projects in the region (PECI, PCI).

At the same time it is highly imperative to develop regional planning with a view to enhancing energy efficiency and minimizing the possibility of occurrence of energy poverty through measures that can be achieved with fewer investments, yet bearing visible results, said Mr. Iuga.

On 9th June, the participants visited the LNG (Liquid Natural Gas) Terminal located in the Omišalj county on the island of Krk in the North Adriatic, where they had the opportunity to familiarize themselves with the aims and objectives of a responsible company for the development of the LNG Import Project. The

*This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of independence.
proposed Project will make use of the present facilities and infrastructure, necessary for receiving, storing, reloading and regasification of liquefied natural gas.

The Project has the purpose to cater for the energy needs and increase the security of gas supply, providing for a new gas supply route for the Central and South-Eastern European countries.

Promoting a transparent dialogue on energy security - based on a common strategic vision adapted to the needs and potential of the region, as well as strategic assessment, in order to develop resilient capacities to protect critical energy infrastructure – will remain high on RACVIAC agenda in the upcoming period. Therefore, RACVIAC Programme 2017 is foreseen to include energy security activities coordinated by the Romanian MFA, based on a requirement for regional cooperation, and focus on the protection of critical infrastructure in relation to emerging asymmetrical threats in South-Eastern Europe.

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