

Declaration of the EU Strategy for the Danube Region Priority Area 2 Steering Group on Energy Security

9 July 2014, Prague

The recent developments at the EU Eastern border highlighted, among other issues, the importance of energy security. The Danube Region is particularly exposed to risks the current situation brings and the persistent vulnerability of the Danube Region resulting from energy dependency remains a challenge.

With this in mind, the EU Strategy for the Danube Region (EUSDR) Steering Group of the Priority Area 2 "To encourage more sustainable energy" meeting held on 9 July 2014 in Prague focused on the Danube-specific regional aspects of energy security. Members of the Steering Group agreed that EUSDR and its Steering Group should play an important role in discussing specific ways of strengthening energy security of the whole Danube Region.

Members of the Steering Group welcomed the recent Communication by the European Commission on the European Energy Security Strategy which is the starting point for a debate on the measures to be taken.

The importance of energy security was acknowledged also by the June European Council. The European Council Conclusions stressed the need for immediate action to reduce EU high energy dependency. The European Council Conclusions called for the implementation of short-term measures to strengthen EU resilience and increase its energy security. The European Council asked for further analysis and invited the Council to discuss medium and long-term measures based on the EESS in the run up to the October European Council.

Members of the Steering Group emphasised that investments in energy infrastructure that will allow to interconnect the Danube region and to decrease its energy dependency on a single energy supplier represent an essential prerequisite for making the Danube Region and the European Union more secure. Members of the Steering Group expressed their support for proposals that give priority to energy infrastructure projects as identified through the PCI Regulation in the most vulnerable regions with a high probability of external supply disruptions (EUSDR countries). However, it is also important to take it into account that these projects cannot be realized on the basis of market rules only, Member States' engagement and adequate funding are also necessary. Financing opportunities for PCI projects as provided by the CEF 2014-2020 instrument, as well as by European Structural and Investment Funds for other energy projects would provide their implementation. Members of the

Steering Group therefore support a substantive debate on how to maximise the potential of the various EU financial instruments for energy infrastructure investments.

Members of the Steering Group underlined the priority of creating a well-functioning European energy market based on the removal of regulative restrictions and implementation of energy *acquis*. With full respect to the principle of sovereign right by the individual States to decide on their energy mix, Members of the Steering Group called for a more effective regional exchange of information and consultations.

Members of the Steering Group declared their support for developing the conditions of regional risk assessments and contingency plans under the provisions of Regulation on safeguard security of gas supply. The analyses already presented in the Sustainable Energy Priority Area of the EUSDR (*The Danube Region Gas Market Model, Identifying Natural Gas Infrastructure Priorities for the Region and Natural Gas Storage Market Analysis in the Danube Region*) could be used as a base for further analysis that will be done in collaboration by the energy institutes from EUSDR countries. Members of the Steering Group encouraged the efforts to present additional analytical papers further developing various strands of energy cooperation of the Danube Region.

Members of the Steering Group reasserted their full commitment to reinforcement of the Energy Community and recalled that this priority is embedded in the Action Plan of the EUSDR. Decreasing energy dependency of the Energy Community countries is essential for the overall security of the Danube Region. The Training programme organised by the Sustainable Energy Priority Area of the EUSDR in Moldova should be used as an example of good practice in helping to implement energy *acquis* and should be offered to other Energy Community countries.

Members of the Steering Group declared their determination to closely cooperate on the issue of energy security in the spirit of solidarity. They will revert to this issue at their next meetings.