



PRESS RELEASE

Athens, 25 October 2005

SEE Signs Energy Treaty with the European Union and moves towards Full Integration into the EU Single Energy Market

Athens — Countries of South Eastern Europe took a historic step forward today towards full integration into the EU single energy market, a first example of a sectoral enlargement to date.

Speaking at the Signing Ceremony of the Treaty Establishing Energy Community between the European Union and South Eastern Europe in Athens today (25 October), **Special Co-ordinator of the Stability Pact for South Eastern Europe Erhard Busek** said that the “implementation of this treaty will have far-reaching political, economic and social consequences for all of us, among them the development of a stable and efficient energy supply in South Eastern Europe, the introduction of market based regulatory systems and the geo-political importance of securing different supply routes for energy in Europe.”

Moreover, in his speech Mr Busek emphasised that this Treaty highlighted the benefits of regional co-operation for SEE:

- From an economic point of view the demands facing SEE are so great that only through regional co-operation can limited resources be put to the most efficient and effective use;
- In the energy sector alone, the World Bank has estimated that approximately €12.5 billion will be required in the next 15 years to rehabilitate existing power plants and construct new ones and this is on top of the €8.3 billion required for investments in transmission and distribution;
- Regional co-operation is a cornerstone of the EU accession process and one that it carefully monitored by the EU Member States and the European Commission;

Therefore, regional co-operation is not an “optional extra” to the bilateral relations with the European Commission – after all, the countries are seeking to become a member of what is one of the most successful regional co-operation bodies in the world;

Mr Busek used the opportunity in Athens to highlight the excellent leadership of the European Commission in this energy initiative and in particular, the role played by the Directorate General for Transport and Energy. He also thanked international financial institutions and bilateral donors such as Canada, Germany, France and the USA for their commitment to the Energy Treaty.

Full text of Mr Busek's speech is available at:

<http://www.stabilitypact.org/pages/speeches/detail.asp?y=2005&p=207>

*For further information, please contact Stability Pact's Spokesperson
Mr Dragan Barbutovski at the SP Secretariat in Brussels
(Tel: +32 2 401 87 25 or press@stabilitypact.org).*

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