



**13 December 2004**

**3<sup>RD</sup> ATHENS MEMORANDUM MINISTERIAL**

**ADOPTED CONCLUSIONS**

1. The Ministers welcomed the general agreement on the draft Energy Community Treaty. The Ministers noted broad agreement on the substance of the Treaty and directed their negotiators to conclude remaining details as soon as possible.
2. The Ministerial endorsed the Permanent High Level Conclusions for 2004.
3. The Ministerial adopted the name “Energy Community” for this process.
4. The Ministerial agreed, in principle, to the need for an energy information centre and directed the PHLG to adopt a proposal based on detailed work.
5. The Ministers approved the Tirana Declaration subject to the appropriate internal state procedures being carried out prior to its entry into force. Parties are requested to indicate to the Commission when internal procedures are concluded. The Commission will activate the group once five parties have agreed.
6. The Ministerial requested that the CEER Working Group for South East Europe and then eventually the South East Europe Regulators’ Board for Electricity and Gas to propose and report on guidelines for the cooperative evaluation of infrastructure projects having a cross border dimension within the scope of the Electricity Directive 2003/54 and the Gas Directive 2003/55. The report and any proposals should be made to the Permanent High Level Group.
7. The Ministerial concludes to have preliminary discussions on the desirability and scope for developing an oil dimension to the Energy Community. If there is scope for developing a discussion Forum, the PHLG is tasked to facilitate this.
8. The Ministerial created a Gas Working Group composed of government representatives and international financial institutions, based on the Commission proposal to the PHLG (Annex 1).
9. The Ministerial decided on the location of institutions as set out in Annex 2.
10. The Ministerial agreed that the compromise position put forward by the Commission to the PHLG (attached as Annex 3) for the conclusion of the environment chapter in the draft treaty was acceptable in its principles. However, explicit linkage in the text of the treaty between market access and attainment of environmental objectives

should be avoided. Further consideration of the transition period should be allowed for those that have specific difficulties in meeting specified targets. All of the text must be discussed by the Negotiation Conference and agreed upon.

11. The Ministerial decided to delete the reference to the language regime in the draft Treaty; and to empower the Negotiation Conference to agree a text for ratification without a further Ministerial discussion.
12. The Ministerial acknowledged the need in the region for streamlined and efficient assistance under the leadership of the European Union.
13. The Ministerial invites the Stability Pact to support through its Task Force and Networks the implementation of the Energy Community.

## Annex 1



**EUROPEAN COMMISSION**  
DIRECTORATE-GENERAL FOR ENERGY AND TRANSPORT  
  
DIRECTORATE C - Conventional Energies

Brussels, 01/12/2004  
TREN C2/BD/kb-D(2004) 21768

### **COMMISSION PROPOSAL ON GAS STRATEGY**

The Commission proposes to establish an informal Workgroup on Gas Issues for the territory to which the Athens Memorandum 2003 applies.

Its mandate is three-fold:

- (1) To investigate how to implement the gas directive and other gas related EU legislation; and
- (2) To develop consensus on the scope for increased gas use in the region; and
- (3) To develop recommendations on security of supply issues.

The Workgroup would be composed of one representative of each Athens Memorandum Signatory, plus 1 World Bank, 1 EBRD, 1 EIB member.

The aim is to represent government and investment priorities.

The Commission will chair the meeting.

The Workgroup would meet on the eve of every Gas Forum.

## Annex 2

### Location of treaty institutions

<b>Fixed</b>	<b>Rotating</b>
<ul style="list-style-type: none"><li>• Regulatory Board - Athens</li></ul>	<ul style="list-style-type: none"><li>• PHLG</li></ul>
<ul style="list-style-type: none"><li>• Electricity Forum – Athens</li></ul>	<ul style="list-style-type: none"><li>• Ministerial</li></ul>
<ul style="list-style-type: none"><li>• Gas Forum – Istanbul</li></ul>	<ul style="list-style-type: none"><li>• All other facultative meetings</li></ul>
<ul style="list-style-type: none"><li>• Secretariat - Vienna</li></ul>	
<ul style="list-style-type: none"><li>• Oil scoping meetings – Trieste</li></ul>	
<ul style="list-style-type: none"><li>• [REITC – Sofia] <i>to be decided</i></li></ul>	

### Annex 3



EUROPEAN COMMISSION  
DIRECTORATE-GENERAL FOR ENERGY AND TRANSPORT  
DIRECTORATE C - Conventional Energies

#### ENVIRONMENTAL COMMITMENTS: INFORMATION FROM THE EUROPEAN COMMUNITY

After the negotiations held on 16/17 November 2004, the Commission took note of the views of the participants, and on behalf of the European Community, is pleased to submit the following compromise position to the Ministerial meeting.

- The draft treaty should incorporate verifiable and strict timetables for the application of the ‘Acquis Communautaire on the Environment’ (as defined in Version III Final). These timetables should be set out in an Annex. The timetables should be fair both to non-EU states and recent EU accession states. Therefore, the guide for commitments should be the commitments that other states have made in the process of accession, with flexibility relating to income levels and impact on energy markets.
- The penalty for breach of these provisions set out in the timetable should be exclusion from the benefits deriving from Articles 39 and 40 of Version III Final.
- The Commission is prepared to accept a ‘best endeavours’ clause for the application of commitments derived from the Kyoto Protocol - and for those that have not ratified the protocol or the treaty, a ‘best endeavours clause’ that they should do so.
- The Commission can accept that the *Integrated Pollution Prevention and Control* (IPPC) Directive is dealt with by referring to its importance and the availability of technical assistance from the European Community to implement it. There will be no obligation to adopt it, but a ‘best endeavours clause’ could be inserted if delegations wished it.

If Ministers accept this position, then the Minutes of the meeting should record that the Ministers direct the Negotiation Conference to conclude text giving expression to this position.