

## ROMANIAN ENERGY DAY 2018 – PANEL 5

### PROVIDING A FAIR DEAL FOR THE EUROPEAN CONSUMER

#### ROMANIA AS THE KEY REGIONAL HUB FOR RESOURCES AND SUPPLY ROUTES

The 5<sup>th</sup> panel of this year's Romanian Energy Day addressed the topics of Providing a Fair Deal for the European Consumer / Romania as the Key Regional Hub for Resources and Supply Routes. Moderated by Mr. Corneliu BODEA, President of CRE, the session benefited from the keynote addresses of Mr. Nicola DEMICHELIS, Head of Cabinet of Mrs. Corina CRETU, Commissioner for Regional Policy, European Commission, Mrs. Norica NICOLAI, Member of the European Parliament, Mr. Toma PETCU, Former Energy Minister of Romania, Mr. Dragos BANESCU, Charge D'Affaires a.i., Embassy of Romania to Belgium, Mr. Cristian BUSOI, Member of the European Parliament, Mr. Radu POPA, Vice-president of CRE.

Mr. Corneliu Bodea introduces the last panel of Romanian Energy Day 2018, a session linking technology with policies, analyzing the effects of the Clean Energy Package enforcement by the EU. Forecasting the prices of energy and technological development, in order to provide a fair deal for the European consumer is a top concern for



policy makers and specialists. Moreover, the concluding panel will touch upon Romania's perspective of becoming a key regional hub, with respect to resources and supply routes.

Mr. Nicola DeMichelis appreciated the topics discussed during the 7<sup>th</sup> edition of Romanian Energy Day, such as the security of energy supply, energy efficiency and the Clean Energy Package, subjects proactively addressed by the framework of the European Energy Union on climate strategies. According to Mr. DeMichelis, the Energy Union is an



ambitious agenda ensuring an integrated internal market, the diversification of energy sources, energy efficiency and decarbonization of the economy. Concerning the necessary investments for the rolling out of this agenda, from public and private funds, the essential framework of the EU is the cohesion policy, operating in partnership with national, regional and local actors. This funding framework is essential for Romania to fully exploit its assets (i.e. gas reserves and production, RES, the geo-strategic position) to the benefit of its citizens, covering security of supply through direct investments on network projects of EU interests and improving energy efficiency in buildings, latter program having allocated more than 700 million EURO in the period 2014-2020. Moreover, the cohesion policy covers the “smart specialization strategies” which accompanies regions through their energy transition (i.e. the platform for the coal regions in transition).

Besides investments, ensuring a smooth clean energy transition is also about how policies are designed. Moreover, cities and urban areas play an important role, the European urban agenda being established as a partnership with member states, cities and local and regional authorities.

Furthermore, Mrs. Norica Nicolai appraises Romania’s extremely important role as an independent gas producer and potential as an



energy hub, the domestic energy resources being of great benefit to its citizens, maintaining an average of 3.000 jobs and adding important revenues to the state budget and GDP. Moreover, Mrs. Nicolai expresses her expectations that the BRUA project will further enhance Romania's energy role in the regional as a transit hub and by strengthening the connection with Georgia, Ukraine as well as with Azerbaijan. Also on the Bulgaria-Romania-Hungary-Austria project, Mr. Toma Petcu points out its importance for Romania and for the Central and Eastern European countries, representing a vital gas interconnection transporting up to 4,4 billion m3 per year of natural gas from the Black Sea.

Mr. Petcu highlights two important events underwent during his energy minister mandate, the CESEC summit and the 16+1 Business Forum, Conference and Fair. Firstly, during the CESEC meeting, BRUA was maintained as the same level of importance as initially approved by the European Commission. Also, it was agreed to extend the activity of CESEC also in the field of electricity. Secondly, the 16+1 cooperation framework between China and CEEC is extremely important for the national development strategy.



Moreover, Mr. Petcu points out the issue of assuring adequate funding for investing in the future of energy and in developing new production capacities, an important constituent of the much needed national energy strategy and the overall energy security.

Following the keynote addresses, Mr. Dragos Banescu further emphasizes Romania's potential to become a regional hub of energy, ambition requiring several components, such as interconnectivity with the neighboring energy infrastructures,



internal regulations and legislation and a perfectly functioning and efficient energy market, mechanisms fine tuning between demand and supply. Also, Mr. Banescu addresses the issue of assuring sufficient funding for the transition towards commercial and technical efficiency, environmentally less polluting. Moreover, the open competition is another important component, Romania aligning itself to the standards of the Energy Union and to the conditions towards a flexible and efficiency energy market.

Mr. Cristian Busoi acknowledges the presence in Brussels of key stakeholders from the Romanian energy sector, as many national decisions are influenced from the Belgium capital. Mr. Busoi stresses the importance of developing on long-term plans and highlights the current attributes of the energy sector, the rising energy demand, volatile



prices, and climate change. EU is determined to become a low energy economy and a place where the energy consumed should be secured, safe, competitive, locally produced and sustainable. EU energy policy promotes interconnection of energy networks, energy efficiency and the wide range of energy resources alternating between fossil fuels, nuclear power and renewables. Mr. Busoi also points out the issue of high level investments, funds assured by the European Commission, which should be also provided by private partners from the industry in addition to the national budget.

Mr. Radu Popa highlights pressing issues of the national energy sector and of Romanian politics in general, namely a competency crisis, poor leadership and powerless elites, frequent political



changes and inefficient spending of public funds, and an overall lack of concern for the future. In order to achieve Romania's long debated potential it is important to build inclusive institutions that create order and the rule of law, that allow resources and innovation to use and create power sharing, sustained Mr. Popa. Moreover, public action must produce regulations and rules to prevent corruption or monopoly of resources, whilst generating fair competition and effective public partnership, articulated for the national interests. Rebuilding trust in public institutions and promoting the democracy principles must represent the subject of the partnership between the state and the civil society.

Concluding this panel and the seventh edition of Romanian Energy Day, Mr. Corneliu Bodea appraises the conference's salience in creating a platform of dialogue between Romanian energy industry and European institutions and sometimes between the industry and Romanian authorities that are attending this event, this kind of dialogue creates tangible results.

