

Speech by the Chairman of CERA Mr George Shammas

Memorandum of Understanding between CERA and E-Control

13th of November, 2014

Hilton Hotel, Nicosia

Your Excellency Minister of Energy, Commerce, Industry and Tourism Mr. George Lakkotrypis,

Your Excellency Ambassador of Austria in Cyprus Dr. Karl Mueller,

Honorable Vice-President of the Parliamentary Committee of Trade and Industry Mr. Zachariou,

Honorable representative of the President Mr. Averof Neofytou of the Parliamentary Committee of Foreign Affairs Mr. Michaelides,

Executive Director of the Austrian Energy Regulatory Authority Mr. Walter Boltz,

Distinguished Guests,

Ladies and Gentlemen,

It is our great pleasure to see all of you distinguished guests here today gathered for the occasion of the signing ceremony of the Memorandum of Understanding (MoU) between the Cyprus Energy Regulatory Authority and the Austrian Energy Regulatory Authority E-Control.

Let me take this opportunity and thank the European Union Technical Assistance provided to the Cypriot Authorities, as well as the Support Group for Cyprus of the Directorate General Economic and Financial Affairs and their representative to Cyprus Mr. Stefan Ressler, for their initiative to invite CERA last June, to visit Austria and meet E-Control in order to identify best practices of the Austrian Energy Regulatory Authority and give expert input of the Cypriot experience. Their insights, goodwill and efforts have contributed to the successful signing of the MoU.

E-Control is already carrying out a project whereby will provide recommendations to CERA for the human resources required in order to be able to fulfil its tasks, taking into account the emerging competition in the Electricity Market, the prospects of introducing Natural Gas to the energy mix, the challenges faced to integrate Renewable energy into the market and the prospects of the development in hydrocarbon sector in the Exclusive Economic Zone of Cyprus and generally in Southeastern Europe.

E-Control as a regulator in the center of Europe has substantially contributed to the establishment of the European Internal Energy Market. E-Control has been successfully involved at all levels of international regulation since its establishment in 2001. Our collaboration in the area of development of a stable regulatory framework shall contribute to the development of hydrocarbon prospects of Southeastern Europe. Our friend Mr.Walter Boltz, the Executive Director of E- Control, is one of the key persons in the European Energy Regulators community, and is the Vice – president of CEER and ACER and Chairman of the very important Gas Working group of EU Energy Regulators.

Both regulators recognizing the importance of cooperation in regulation of the electricity and natural gas sector based on the principles and aims of the respective EU directives have decided to collaborate in order to promote the institutional authority and capacity of each regulator based on best practice regulatory norms.

Under this MoU, both parties will work together in several areas including exchange of information relating to dispute resolutions, regulatory development and regional energy markets to bring forth potential benefits to regulatory community and shall also collaborate in order to improve the performance of their institutional functions in market monitoring, competitive market structures, market integration of renewable energy sources, natural gas market, energy efficiency and smart metering regulatory issues.

I trust that this MoU will reinforce cooperation between the two regulators and will lead to further possibilities to achieve our common goal of the completion of the internal energy market. I am confident that our efforts and commitment shall provide a successful and fruitful implementation of the MoU.

Thank you.

Cyprus Energy Regulatory Authority (CERA)