

**IFI Advisory Group – Second Working Group Meeting on Energy**  
**6<sup>th</sup> May 2008**  
**Chairman's Conclusions**

The Energy Working Group of the IFI Advisory Group (IFI-AG) met for the second time on May 6, 2008. The meeting confirmed that the Working Group is a useful forum of exchange of information and advice on specific energy issues. Participants concurred on continuing the activities of this Working Group. To this aim, the following conclusions were reached

- With regard to the implementation of the **acquis**, they took note of the latest progress achieved particularly in electricity, gas, environment, competition and renewable energies. It was emphasized that addressing the CBT and market opening issues is of particular importance. The need to continue improving the application of the Environmental Impact Assessment (EIA) legislation was stressed.
- Participants welcomed the progress achieved by the ECS with regard to **investment projects** proposed by the contracting parties of the Energy Community. The results of the Workshop on Matching Investments with Finance of 9 April were presented and discussed. Participants encouraged the ECS to continue providing update information on the list of projects and to consult IFIs individually and through the Energy WG on specific issues related to any of the projects included in the list. In this context, it was underlined that a major issue is sound prioritization of investments based on (pre)feasibility studies, with specific regard to investment costs estimation. The necessity to improve the administrative capacity both in projects preparation and the acquis implementation was highlighted.
- On **energy efficiency**, participants shared experiences and lessons learnt from projects implementation. This confirmed that sustainable energy supply and consumption is high on the political and economic agenda of the countries in the region. Participants concurred on the importance to study carefully the complementary role of governments, IFIs and donors, local banks and investors. They also welcomed the update provided by the ECS Task Force on Energy Efficiency and encouraged the idea that members of this group also attend the next meeting of the Task Force in June. Members also agreed to organize another meeting on Energy Efficiency after September to discuss, among others, the phase I of the World Bank initiative on Energy Efficiency and the development of the EBRD Western Balkan Framework for Sustainable Energy.
- Participants then **exchanged information on their activities in other energy sectors**. They agreed to share information and updates as much as possible prior to the meetings, so as to facilitate informed questions from participants on the experiences presented.
- The Commission provided an update on the **status of the IPF**. The list of preliminary applications for energy projects was distributed to participants. It was clarified that the IPF Secretariat will now start screening in depth projects with a view to formulating recommendations for the IPF Steering Committee meeting scheduled in June 2008. The Commission will share the methodology and project description format as well as a short summary of the outcomes of the first country visits carried out in March and April 2008.
- The **Work Programme for the Energy WG** adopted at the IFI AG Plenary session in January was reviewed and confirmed by participants. Participants expressed their interest in continuing to focus on the workings of the ECT /ECS, on energy efficiency and on exchanging information and advice on priority projects for investment in the energy sector in general in the region. The Joint Office will circulate a questionnaire to facilitate identification of IFIs experts in specific energy sub-sectors.

Participants agreed that the next meeting of the Energy WG should take place in October 2008.