



Bundesministerium
für Wirtschaft
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„From Talk Show to Substance“

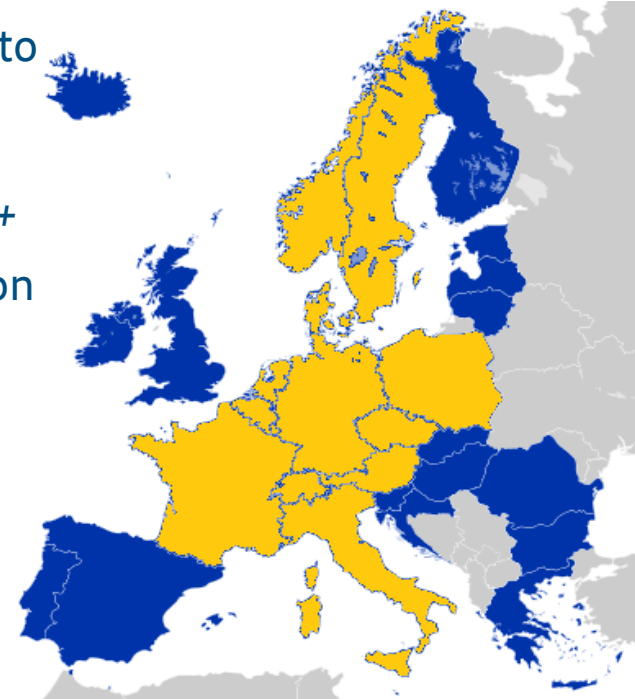
Declaration on Regional Cooperation between
„Electricity Neighbours“

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1. STARTING POINT

- “Regional cooperation” - need to move from “talk show” to “substance”
- Regional generation adequacy assessments (*Pentalateral + cosentec/r2b*) proved real synergies of regional cooperation
- Germany’s intention to consult market design with its “electricity neighbours”
- Stepwise growing discussion on real substance
- Identified common view on several “no-regrets” not only between “like minded”
- Agreed on a concrete declaration
- It is not a closed shop



Who is involved?

*BE-NE-LUX, FR, DE, AT,
CH, IT, PL, CZ, DK, SE, NO,
others invited*

2. CENTRAL „NO-REGRETS“ OF THE DECLARATION

- Maximizing the benefits of the **internal market**
- Principle of **flexibilisation** of supply and demand as “no-regret”
- Flexible prices, **no legal price caps**
- **Regional adequacy assessments** (common methodology, joint report)
- **No restriction of cross-border trade** in times of scarcity and following EU regulation on cross-border trade and secure system operation
- **Grid reinforcement** and further **market coupling** to increase cross-border trade



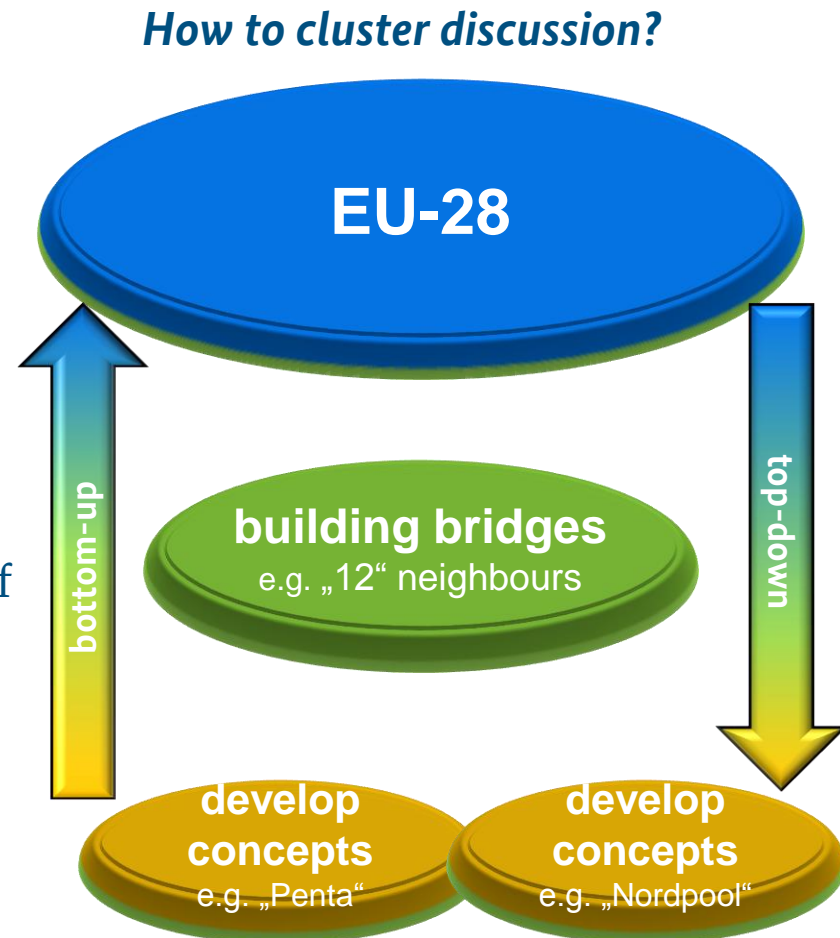
concrete and substantial

3. WHAT IS THE MAIN ADDED VALUE?

- 12 Member States set **clear political priorities**
- Declaration on **substantial points** fosters **concrete debate**
- **Joint learning curve - ownership - trust building**
- Based on very valuable concrete work of the **Pentalateral Forum**
- Common understanding **on high political level**
➔ **supports EU-28 regulation**
- **Commission actively involved** to give guidance
- Process as well as the „no-regret approach“ could serve as a **blueprint**

4. Possible „blueprint“ elements

- Right mix of “top-down” coordination and “bottom-up” contribution needed
- “Bottom-up” needs
 - substance to be discussed
 - concrete procedure and structure
 - monitoring
- Stronger coordination by COM needed
 - ensure progress and consistency of clusters
 - putting the right questions
- Identifying “**no-regrets**” allows for deeper integration between different approaches
- Thereby moving forward to better **EU-28 regulation**



5. NEXT STEPS

- Declaration of “electricity neighbours” to be signed on 8 June “hand in hand” with 10 year Penta-Declaration
- **Concrete rules** for EU-governance needed
- EU governance need to be “**upgraded**” in areas of **EU - targets**
- **Projects** should support substance of regional cooperation (“learning by doing”)
 - ➔ **Incentives** for regional projects needed:
 - by the **EU governance**
 - and through an **EU-fund** providing grants for first “kick-off” regional projects



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THANK YOU