

Joint Statement

___ May 2019

Preamble

Recalling the high – level meeting held between Minister of Foreign Trade and Economic Relations of Bosnia and Herzegovina, Prime Minister of Federation of Bosnia and Herzegovina, Prime Minister of Republika Srpska, Minister of Finance of Federation of Bosnia and Herzegovina, Minister of Ministry of Energy and Mining of Republika Srpska and Ambassador of the United States of America, Ambassador of the United Kingdom, Ambassador of the Federal Republic of Germany, Deputy Head of the EU Delegation, Director of the Energy Community Secretariat in Neum on 16 April 2019 within the framework of the Fifth Energy Summit.

Parties **acknowledge** that Bosnia and Herzegovina in many areas is failing to meet its obligations as the Contracting Party to the Energy Community Treaty. It is decided to enhance the coordination between all stakeholders, reinforce the support from the entities and work closely to ensure that Bosnia and Herzegovina starts making measurable progress.

Recognizing that the following mandate will be used to accelerate required reforms aimed at improving the energy sector so it contributes to economic recovery and the interests of citizens of Bosnia and Herzegovina.


We, the participants of the high – level meeting held on 16 April during the 5th Energy Summit **agree**:

1. to undertake necessary steps to reconcile the differences between the two entities and support the adoption of the crucial **State Electricity and Gas Law in line with Energy Community requirements** on the state level. Once State law sets the legal framework, entity level laws will be adopted and amended in order to ensure overall harmonization and compliance with the EU Third Energy Package.
2. that electricity utilities in BiH must promptly implement **full unbundling**, provided that this represents the key step to unlock the reforms and processes in a number of areas in the electricity market. When it comes to deregulation of prices, it was discussed and recognised that Republika Srpska will adopt a new Electricity Law to address the issue of the generation prices deregulation.
3. that Governments will put draft amendments to the entity Laws on the Promotion of Renewable Energy Sources (RES) and respective by-laws into adoption procedure to allow for implementation of the **reform of the renewable energy support schemes**. The reform aims at further increasing the share of intermittent renewable energy, such as wind and solar energy.
4. that respective authorities are to streamline **the licensing process and to strengthen the environmental policy, public consultations** for renewable energy projects when it comes to issuance of environmental permits and concessions to ensure environmental sustainability of RES powered facilities.
5. that respective authorities are to amend entity laws on **energy efficiency** as soon as possible respecting the constitutional provisions to allow implementation of the combination of ESCO model and Energy Efficiency Obligation Schemes, as well as other Energy Efficiency Directive (EED) requirements. Also, it is necessary to ensure a systematic approach to the implementation of the

Action Plans at the state and entity level in order to meet the targets for reduction of energy consumption.

6. that entity level governments as a matter of urgency will appoint the new management structures of the **electricity transmission company** (Elektroprijenos BiH/Elektroprenos BIH) on the basis of transparent and merit-based procedures to ensure full functionality of the company and to unblock investments.

7. Representatives of the international community (EU Delegation, U.S. Embassy, German Embassy, U.K. Embassy, USAID, GIZ, Energy Community Secretariat) will support all relevant authorities in their efforts to meet the undertaken commitments by providing technical assistance and facilitating negotiations under the aim for Bosnia and Herzegovina to implement reforms in line with the objectives of the EU membership.


Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina
H.E. Minister Mr Mirko Saraovic



Prime Minister of Republika Srpska
Mr Radovan Viskovic

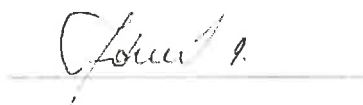


Prime Minister of Federation of BiH
Mr Fadil Novalic

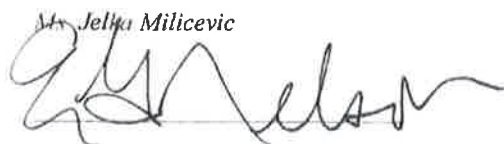


Minister of Finance of Federation of BiH

Mr Jelka Milicevic



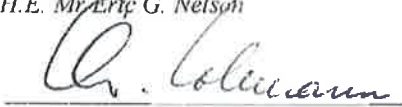
Minister of Ministry of Energy and
Mining of Republika Srpska
Mr. Petar Djokic



Ambassador of the United States of America
H.E. Mr Eric G. Nelson



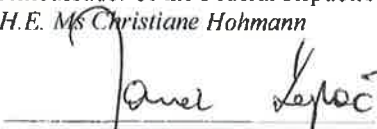
Ambassador of the United Kingdom
H. E. Mr Matthew Field



Ambassador of the Federal Republic of Germany
H.E. Ms Christiane Hohmann



Deputy Head of the EU Delegation
Mr Khaldown Sinno



Director of Energy Community Secretariat
Mr Janez Kopac