

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

UNCTAD



MULTI-YEAR EXPERT MEETING ON TRADE, SERVICES AND DEVELOPMENT

Fourth Session

Geneva, 18–20 May 2016

**Regulatory coordination and coherence
Lessons from the European energy market integration process**

SESSION # 5



UNITED NATIONS
UNCTAD

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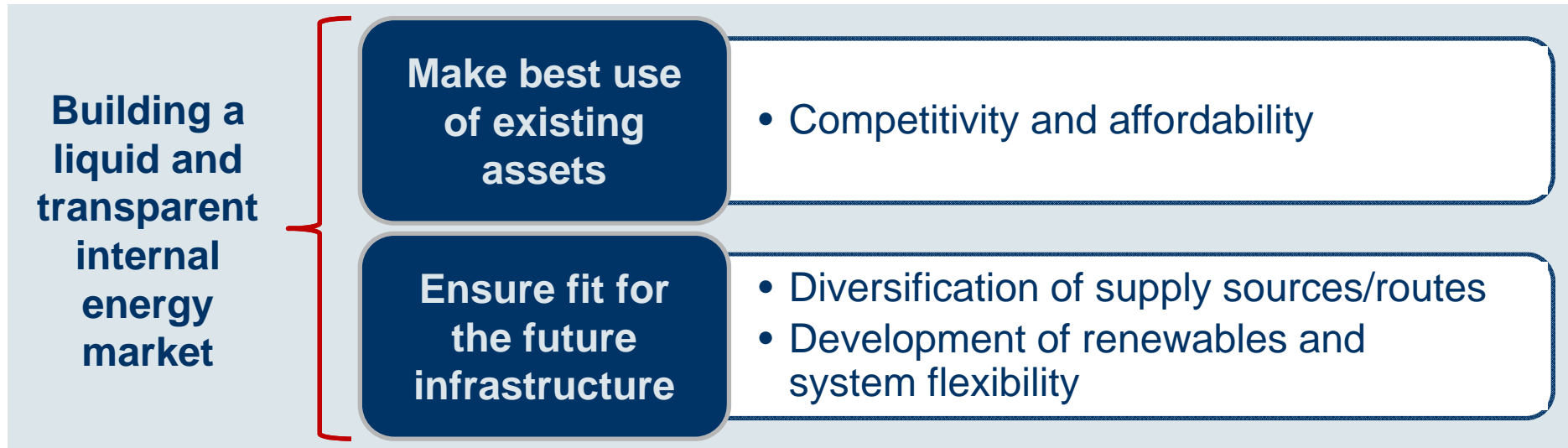
Regulatory coordination and coherence

Lessons from the European energy market integration process

UNCTAD's Multi-Year Expert Meeting on Trade, Services and Development
Geneva, Switzerland - 20 May 2016
Commission de régulation de l'énergie
Aude Le Tellier

European energy market integration

A building block of EU energy strategy



across 28 heterogeneous energy systems
(market size, demand profiles, industrial structure, supply mix, etc)



European energy market integration

A process driven by regulators

- A progressive approach, originally based on voluntary cooperation



2000



2003

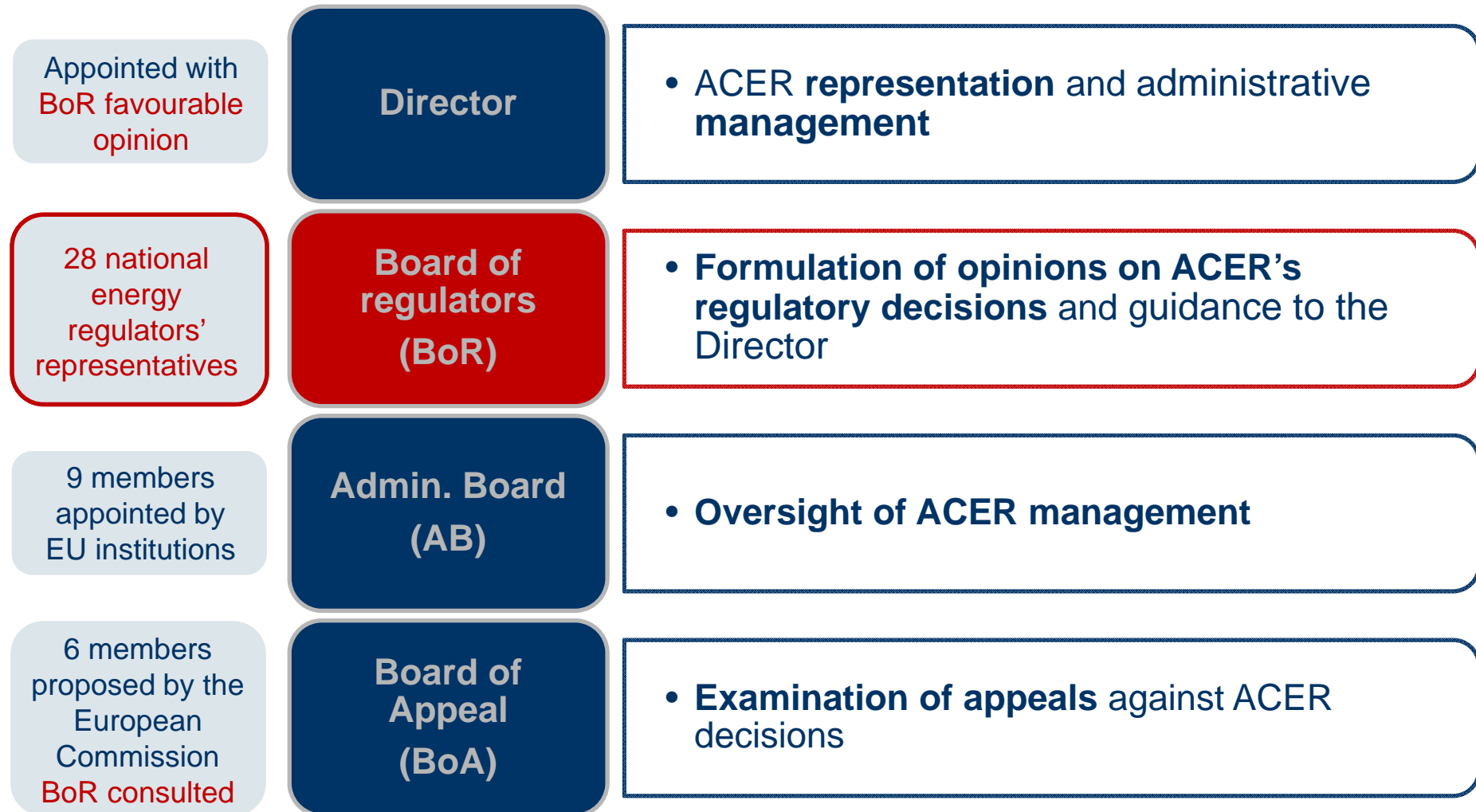


2009

- Top-down approach enshrined in EU legislation in 2009
 - European energy regulators mandated to eliminate restrictions on trade between Member States
 - Establishment of an EU Agency to assist national regulators in exercising their tasks at EU level and where necessary to coordinate their action

Regulatory coordination within ACER

Institutional set-up



Regulatory coordination within ACER

Status quo : tasks

Network operators

- Oversight of network planning coordination
- Preparation of EU-wide market rules and network codes

Energy regulators (NRAs)

- Promotion of **NRAs' cooperation**
- **Arbitration between NRAs** on e.g. exemption requests or regulatory regime applicable to cross-border infrastructures

European institutions

- **Monitoring of internal energy market**
- **General advisory role** on measures needed to remove barriers to internal market completion

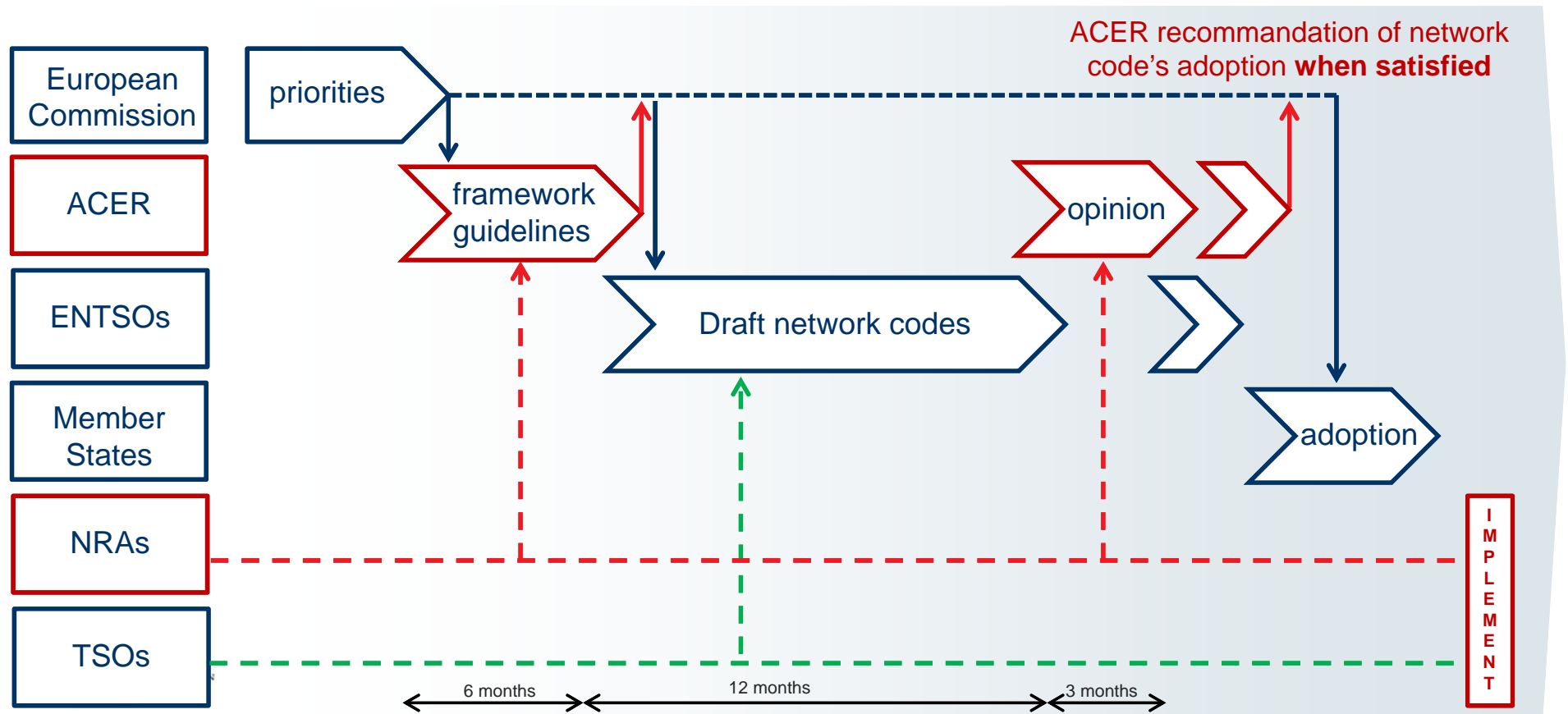
Other (new)

- Data collection and **monitoring of wholesale market transactions**
- Participation in the **selection and monitoring of European infrastructure "projects of common interest"**

Coordinated rule-making

The case of EU network codes

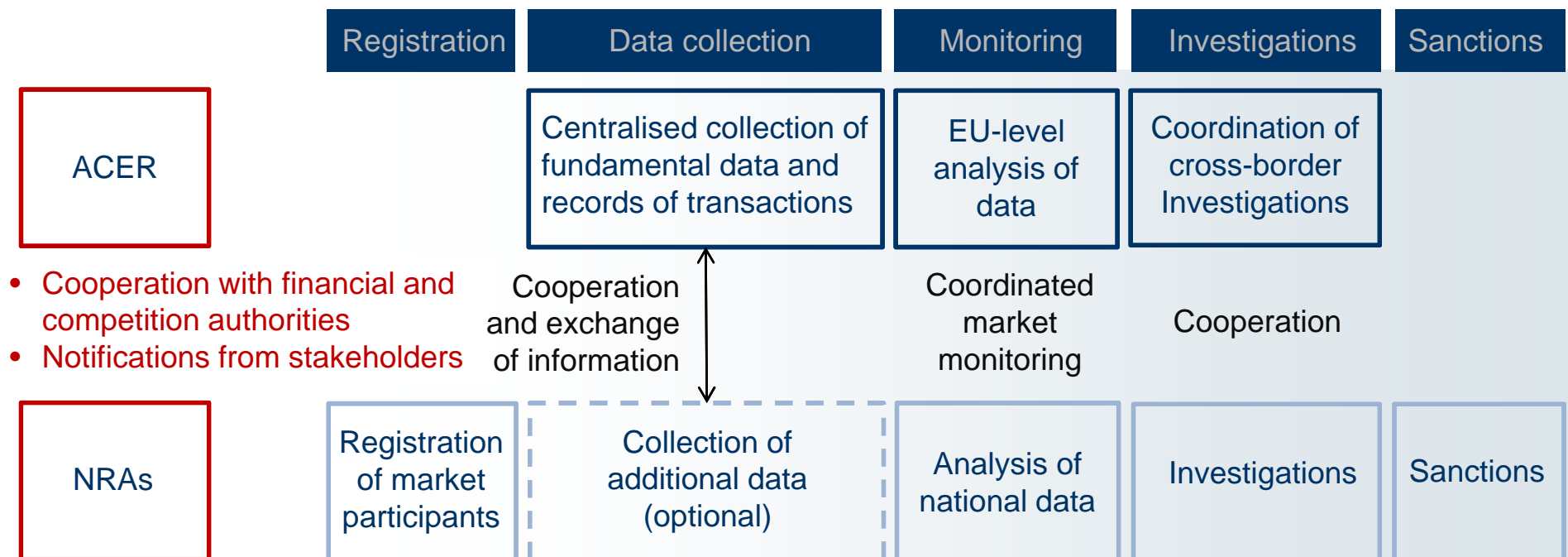
- **Harmonised market and network rules** with cross border relevance
- Contributing to **non-discrimination and effective competition**



Coordinated monitoring

Wholesale market surveillance

- Increased **integrity and transparency** of the wholesale market through:
 - legal **prohibition of market abuse and insider trading**
 - **structured cooperation** between sectoral regulators, financial regulators and competition authorities both at national and EU-level



Internal procedures

The devil is in the detail!

- ACER overall good performance since its establishment closely related to inputs from national energy regulators
 - **Over 200 experts from 28 NRAs participate in ACER working groups** advising on the regulatory activities of the Agency

- New proposals due by the end of 2016, including on **ACER independance and powers**

ACER oversight powers

- Non mandatory opinions? Binding decisions?

ACER to take due account of the outcome of NRAs' cooperation when formulating its acts whose adoption is **subject to BoR favourable opinion**

- BoR to approve (or reject) outright the acts submitted by the Director **without being able to amend them**



Thank you for your attention !

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