

PRESS RELEASE
EUROGAS POSITION PAPER
ON THE
“PROGRESS REPORT 2005 ON THE CREATION OF THE INTERNAL GAS MARKET”

Eurogas has finalized a position paper on its contribution to the identification and determination of the issues to be considered in the Commission’s “Progress Report 2005”, which will outline the progress made in the development of the internal gas market as provided under Art. 31 of the Directive 2003/55/EC.

Eurogas’ position paper proposes new criteria for assessment that will lead to a useful and effective analysis in the progress report. Presented in question format these criteria are divided into two sections:

1. The first list of criteria concerns the implementation of legislative requirements, which are mostly focused on access to the system and implementation options open to Member states. In assessing performance the report should distinguish among responsibilities of national governments, regulatory authorities, gas industry and customers.

2. The second list of criteria concerns the structure and functioning of the market and trends in market development. Eurogas asks for a summarized vision that could be considered reflective of a single European gas market with respect to the required level of and appropriate balance between market and regulation. Furthermore the report should not just focus on quantitative parameters to measure market opening but also assess the mechanisms that are in place to encourage the evolution in the right direction.

Eurogas wishes to reiterate its support for the completion of the internal gas market in an environment that encourages companies active in an increasingly import-dependent European market to plan and invest in natural gas supplies and infrastructure, thus contributing to security of supply and that facilitates the development by the gas industry of new supplies to the European market from third country producers.

Eurogas therefore considers that the Progress Report 2005 should also include an analysis of the natural gas business in the increasingly competitive global market in which the need for European gas companies to secure competitive supplies for European consumers is recognized.

Eurogas welcomes Commissioners Piebalgs’ willingness to consult with Eurogas together with other stakeholders in the preparation of the progress report.

Eurogas has submitted this proposal of criteria to be used in the elaboration of the Progress Report 2005 and recommends that a public hearing on the evolution of the internal gas market should be organized in the course of the current year before the finalization of the report.

Eurogas is the European Union of the Natural Gas Industry representing the European natural gas companies and national federations of 21 countries towards the EU, all other relevant international institutions and stakeholders.

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