1.1 A not-for-profit Association is constituted under the name of “Mediterranean Energy Regulators”, abbreviated “MEDREG”.

2.1 The registered office of the association is established in Milan at the premises of the Italian Regulatory Authority for Energy, Networks and the Environment (ARERA), Corso di Porta Vittoria, 27

3.1 For the purpose of these Statutes, MEDREG area is the geographical zone which covers the following countries: Albania, Algeria, Bosnia and Herzegovina, Croatia, Cyprus, Egypt, France, Greece, Israel, Italy, Jordan, Lebanon, Libya, Malta, Montenegro, Morocco, Palestine, Portugal, Slovenia, Spain, Syria, Tunisia and Turkey.
Article 4
Purpose

4.1 The objectives of the Association are listed under article 3 of the Constitutive Act.
4.2 In order to fulfil the objectives listed under article 3 of the Constitutive Act, the Association will:
   ▪ foster co-operation, information exchange and assistance among Members with a view to providing a framework for discussion, establishing expert views and exchanging experiences on all aspects falling within the scope of the Mediterranean markets for electricity and gas. Such co-operation should include, where possible, recommendations on a common vision and actions on agreed issues;
   ▪ promote and implement common practices among Members. MEDREG will examine and propose guidelines, recommendations and best practices that the Members will introduce in their regulatory practices on a voluntary basis, in compliance with their national legal order;
   ▪ contribute to the creation of effective and efficient mechanisms that enhance consistent development and monitoring of the markets for electricity and gas within the MEDREG area;
   ▪ observe and assess the evolution of electricity and gas markets in the MEDREG area, the global tendencies in energy regulation and their impact on the electricity and gas markets;
   ▪ use an appropriate process to consult market participants, consumers and operators,
   ▪ foster cooperation with other relevant regional and international organisations and institutions, with particular focus on regional and Mediterranean issues in the field of energy.
4.3 In the fulfilment of these objectives, the Association may carry out any act or activity in accordance with Italian law, in particular any legal provisions with respect to not-for-profit associations.

Article 5
Duration

5.1 The duration of the Association is unlimited.
CHAPTER 2
-- MEMBERS --

Article 6
Membership

6.1 Members of the association are the Regulatory Authorities for Electricity and/or Gas (hereafter “Energy Regulatory Authorities”) of the Mediterranean countries as defined by article 3 of the present Statutes. Where electricity and gas are regulated by different entities, both can apply for membership to MEDREG.

In case the regulatory functions are assumed by Agencies depending on a Ministry or by the Ministry itself, the Ministry will appoint a representative to MEDREG on a temporary basis, and pursuant to the commitment to set up an independent Regulatory Authority within a clearly defined timeframe. In case a country of the MEDREG area has more than one Regulator for the energy sector, their representatives shall jointly perform the membership. The voting procedures are based on the “one-country- one vote” principle.

6.2 Any Member which does no longer fulfil the condition listed under Article 6.1, loses its capacity of Member of the Association.

6.3 For the purpose of these Statutes, and in compliance with the functions assigned to Energy Regulatory Authorities in the meaning of EU legislation, Energy Regulatory Authorities are defined as public independent bodies being at least responsible for ensuring non-discrimination, effective competition and the efficient functioning of the market of electricity and/or gas and which is wholly independent from the interests of the electricity and/or gas industry and strive to be independent from political influence.

Article 7
Admission
7.1 New Members are admitted by decision of the GA, pursuant to Article 14 of these Statutes.

**Article 8**  
**Resignation**

8.1 Any Member may resign from the Association, provided that it notifies thereof by a registered letter.

8.2 The resignation becomes effective after a six-month delay from the day of receipt of the resignation letter, in order to take into account the on-going tasks and responsibilities of the resigning Member, and to ensure the continuity of MEDREG activities.

**Article 9**  
**Exclusion**

9.1 On the proposal of the President and in accordance with articles 6.2 and 14, the GA may decide to exclude any Member which does not comply with the Statutes of the Association, after hearing that Member's defence.

**CHAPTER 3**  
**-- ORGANISATION, ADMINISTRATION AND OPERATION OF THE ASSOCIATION --**

**Article 10**  
**Bodies of the Association**

10.1 Bodies of the Association are:
- the General Assembly;
- the President;
- the Steering Committee;
- the Secretariat.
Article 11
President and Vice-Presidents

11.1 The President manages the Association and represents it externally. He/She must work within the scope of and in accordance with the decisions taken by the GA.
11.2 Two Vice Presidents shall support the President in his duties, according to the Internal Rules.
11.3 The President and the two Vice-Presidents are elected among the Members by the GA, on the terms settled in the Internal Rules. Only representatives of Energy Regulatory Authorities can candidate for Presidency or a Vice-Presidency.
11.4 In addition to the two elective Vice-Presidencies and considering the strong and continuous support offered by the Italian Regulatory Authority (ARERA) to MEDREG. ARERA is assigned with a seat as Permanent Vice-President of MEDREG.
11.5 The President may delegate some activities, if necessary, to the Vice Presidents, without prejudice to the powers of the President and the GA as they are stipulated in the present Statutes.
11.6 The modalities of such delegation, including their detailed nature, delimitation and duration, are submitted to the GA for discussion and approval. The President keeps the faculty to propose to the GA to modify, suspend or withdraw the delegation at any moment.
11.7 In the event of resignation of the President or a Vice-President during his/ her term of office, a new President or Vice President shall be elected on the occasion of the next GA meeting.
11.8 If the President is absent for more than six months or delegates responsibility to a vice president for two consecutive GA meetings, the GA may call an election for another President.

Article 12
General Assembly

12.1 The GA consists of all Members.
12.2 All Members participate in the GA with their representatives. As a general rule, the participation is ensured through the physical presence at the meetings. In case of impediment or absence, each Member has the exceptional possibility to delegate power to a GA Member attending the meeting. This exceptional possibility can be used only once every three GA meetings. Each Member can only accept one delegation per meeting.
12.3 In case a single MEDREG country has more than one Member Regulators for electricity and gas, these Members shall autonomously determine which regulator represents the country at the GA.

12.4 The GA meets at least twice a year to approve the Action Plan and the budget of the Association.

12.5 The GA will be convened by the President or at the request of at least half of its Members.

12.6 The GA is chaired by the President or by one of the Vice Presidents, on request of the President.

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### Article 13

**Powers of the General Assembly**

13.1 The GA has the power to:
- elect the President and Vice-Presidents of MEDREG;
- decide on the creation and termination of Working Groups (WGs) established for an unlimited period of time, and Task Forces (TFs) established on a temporary basis;
- elect the Chairpersons and Vice-Chairpersons of the WGs and TFs;
- approve MEDREG Action Plan;
- approve reports and studies issued by WGs and TFs, and by the Secretariat;
- take strategic decisions;
- admit and exclude Members;
- accept resignation by Members;
- approve the annual budget of the Association;
- determine, approve and modify the Statutes, Internal rules, and any other operative and organisational rules;
- define the structure, composition and location of the Secretariat;
- approve delegations of activities as foreseen by article 11.6;
- approve protocols and agreements with external bodies and organisations;
- wind-up MEDREG.

The powers detailed above are of exclusive competence of the GA.

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### Article 14
14.1 All decisions to be taken by the GA shall be adopted, where possible, by consensus.
14.2 Members present or represented at the GA shall use their best efforts in order to reach consensus.
14.3 Where consensus is not reached, the GA shall act by two-third majority, according to the voting procedure defined in the Internal Rules. Abstentions do not count as votes. The voting procedure shall generally take place by a show of hands.
14.4 The GA may deliberate only if at least the majority of MEDREG countries is represented (half of the MEDREG countries plus one).
14.5 The GA may deliberate on amendments to these Statutes only if at least three-fourths of the Members are present or represented. These decisions require the vote of the majority of Members present or represented.
If three fourths of the Members are not present or represented at the first meeting, at least one month after the first meeting a second meeting may be convened which may validly deliberate, irrespectively of the number of Members present or represented.
The decision to amend Article 4.1 of these Statutes requires unanimity.

15.1 The Steering Committee (SC) coordinates and supervises the ordinary activities of the Association in accordance with the instructions of the GA and prepares the documents to be discussed by the GA. The SC provides orientations to the GA but does not have decisional powers.
15.2 The Members of the SC are the President, the Vice-Presidents, the Chairperson of each Working Group and Task Force and the Secretariat.
15.3 The SC shall meet upon convocation of the President, physically or by call conference before each GA and whenever needed, in order to coordinate activities and discuss possible strategies or actions to be submitted to the GA.
16.1 Under the responsibility of the President and according to the GA guidelines, the Secretariat implements MEDREG strategy enhancing MEDREG’s accountability and institutional presence in the Mediterranean energy sector.

16.2 The Secretariat provides continuous administrative and technical support to the President, Vice-Presidents and all Members, including WG and TFs Chairs.

16.3 MEDREG’s diversity should be represented within the Secretariat whenever possible.

16.4 The Secretariat is based at ARERA premises in Milan.

CHAPTER 4
-- RESOURCES OF THE ASSOCIATION --

Article 17
Resources of the Association

17.1 The resources of the Association consist principally of:

- the annual Membership fee paid by all Members;
- Members in kind contributions for organising MEDREG activities;
- the financial support granted by the European Union;
- the income received from MEDREG assets;
- any grants that may be received by MEDREG;
- the sums received in return for any service supplied by MEDREG;
- any other resources allowed by law with, as required, the approval of the relevant authorities.

Article 18
Membership fees

18.1 Members annual Membership fee is paid according to the procedure set out in the Internal Rules.

18.2 The GA may grant derogations (partly or fully) from the obligation to pay fees by unanimous decision.
19.1 The Association will function on the budget approved by the GA.
19.2. Once a year, the President shall present a proposal for the budget to the GA for approval.
19.3 Members shall share the expenses by means of contributions. The GA may set annually the minimum amount of the membership fee.
19.4 Members who do not comply with the provisions of article 19.3 within the financial year may have their voting rights suspended for a period of 6 months.

CHAPTER 5
-- SUNDRY PROVISIONS --

20.1 In case the GA decides to wind up and liquidate the Association, the GA shall decide upon the allocation of the surplus which would remain after the payment of the debts of the Association.
20.2 The allocation of the remaining assets will be made in accordance with the relevant legal provisions.

21.1 For the execution of these Statutes and for all matters arising there from, jurisdiction will be assigned based on the domicile of the head office of the Association.
21.2 In case of conflict between the Statutes and the Internal Rules, the Statutes prevail over the Internal rules.
22.1 For all that is not provided in these Statutes, reference should be made to the related provisions of the Italian *Codice Civile* and the internal rules of procedure.

Each founder declares having received a copy of the present agreement for the formation of the association. One copy shall be kept in the Register of the association and other two shall be used for registration by the competent office.