



**INS WG:  
GUIDELINES FOR MEDREG'S DIALOGUE  
WITH EXTERNAL PARTNERS**

Med14-18GA-4a INS



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## 1. Background

In June 2012 the GA decided to mandate the INS WG to develop contacts with external partners (cf. Med 03-12 INS AG ToR on external dialogue) and charged it with the writing of guidelines to establish a legal framework to benefit from cooperation opportunities, while preserving MedReg's independence. In line with this mandate, the INS WG reports regularly to the GA on the state of play of the existing external relations. At the 16<sup>th</sup> GA (19 November 2013, Grasse), GA members endorsed a first set of general principles for the external dialogue laying out different forms of cooperation and stressing the need to preserve MedReg's independence. Based on these principles and in line with the Action Plan, the INS WG has developed the following guidelines for MedReg's cooperation with external partners laying down some basic principles to be respected in order to have a more structured and even more efficient external dialogue.

## 2. Different dimensions of external relations

By nature, all MedReg members have external relations with other organisations be it at national, regional or international level. The intention of MedReg is not to interfere within these relations but to support its *"members to have a dialogue with their national and regional Institutions in order to enhance their roles and competences"* (cf. MedReg strategy 2020-2030), whenever needed.

One of the purposes of MedReg is to *"foster cooperation with other relevant regional and international organisations and institutions, with particular focus on regional and Mediterranean issues in the field of energy"* (cf. statutes art. 4). Therefore it is important for MedReg *"to meet interested third parties as well as public national or international institutions to discuss matters of common interest"* (cf. internal rules art. 10.1). Since the beginning, MedReg has developed its own external relations and is working on the setting up of concrete cooperation projects with some of its partners.

## 3. Objective of cooperation

While being the only association representing independent public authorities, MedReg is not operating in an isolated manner in the Mediterranean energy sector. Regional cooperation and market integration cannot be achieved without good cooperation and coordination with other Mediterranean institutions and stakeholders. As laid out in MedReg's strategy 2020-2030, MedReg is *"developing its external relations with all interested institutions and stakeholders to create synergies and develop a common understanding of the needs and possibilities to create a community of interests in the Mediterranean energy sector"*(cf. MedReg strategy 2020-2030).

## 4. MedReg's partners

There are already a number of partners with which MedReg currently cooperates: the European Commission, other regulatory associations, industrial associations, regional and international institutions, financial institutions, etc. (cf. overview of MedReg's external relations 2012-2014). Some have shown interest in establishing a permanent cooperation, others privilege ad hoc cooperation.

As the number of interested partners is likely to grow though there sources of the Association are limited, it could be helpful to set priorities and assess beforehand the feasibility of an enhanced dialogue or the development of joint projects.

#### Recommendations

*In order to cope with the manifold cooperation possibilities, MedReg should establish clear priorities.*

*Before deciding whether to engage in a deepened cooperation, it could be useful to assess first the expected benefit for MedReg.*

*Considering the limited resources of MedReg, a clear commitment from identified MedReg members is needed to pursue a cooperation project. Once a project has been set up, at least one member of the INS WG should preferably act as a contact point and report back to the Association. This cooperation shall take place with the support of the Secretariat and in close cooperation with the INS WG and the MedReg Presidency at all stages.*

## 5. Forms of cooperation

Cooperation can take different forms, more or less binding for the interested parties.

Whatever the form of cooperation is, it should provide for a mutual commitment from both parties to decide to arrange for the possible exchange and use of information of mutual shared interest and to assess the possibility of collaboration upon common current activities of reciprocal interest.

The list below is not exhaustive but focusses on the main forms that characterise currently or could be adopted in the future in MedReg's external relations.

- Cooperation agreements

The relation between MEDREG and its external partners could be formal or informal depending on the areas of cooperation and could take various forms such as that of a letter of intent or a wider project-based agreement. Any agreement should not modify or supersede any laws or other requirements of a binding nature being in force or applying to MedReg and any of its partner organisations. Any agreement should not be understood as setting forth a statement of intent and should accordingly not create or be understood as creating any enforceable rights. It is not envisaged that there should be a systematic use of the Memoranda of Understanding (MoU), which is a heavy tool of cooperation.

At present MedReg has only signed one cooperation agreement, namely with Med-TSO. This is a non-binding agreement laying the basis for a deepened cooperation and requesting a clear work programme and calendar of actions to identify possible concrete projects.

Another Mou has been recently drafted with CE in order to consider MedReg and Med-Tso as long term institutional partners, aiming to let our association become a permanent organization, as stated in our 2030 Strategy.

- Joint projects and events

MedReg has organised different joint events (e.g. roundtables, workshops...) with some of its historical partners (CEER, ERRA, ECRB). With most of them, it was already agreed to pursue such cooperation and organise joint meetings/events on a regular basis.

- Ad-hoc cooperation

MedReg's relations with external partners are mainly based on ad-hoc cooperation, meaning that cooperation is based on issues of common interest. For example this includes presenting MedReg's work at events organised by stakeholders or participating in the working groups of external partners and inviting them to participate in MedReg's working groups meetings.

- Mediterranean Forum of energy regulation

MedReg has organised its first Mediterranean Forum on energy regulation to which stakeholders participate. The Forum is supposed to become an annual event and should be a vehicle to deepen MedReg's external relations.

- Public consultations

The internal rules of MedReg also foresee the possibility to consult relevant stakeholders on the activities of the Association (cf. internal rules art. 9.1). MedReg will launch its first open consultation in November-December 2014 on the Report on Infrastructure Investments jointly elaborated by the ELE and GAS WG.

MedReg also already contributed to public consultations of other organisations, namely the European Commission and PAM, and will pursue this activity when considered relevant.

#### Recommendations

*There is no one-size fits all approach. MedReg should choose carefully the most suitable forms of cooperation, and adapt them over time if needed.*

*The interest to cooperate could be stated in a letter of intent or a cooperation agreement. Only the President, or his/her delegate is allowed to sign such letters or agreements on behalf of MedReg with third parties.*

*Less compulsory and flexible forms of cooperation should be privileged taking into account the limited financial and human resources of the Association.*

## 6. Core principles for the cooperation with external partners

Keeping in mind that some flexibility is needed, several core principles can be defined that apply to all forms of cooperation.

- Safeguard the independence of MedReg and its members

MedReg is an independent non-profit association composed of independent regulatory authorities. Therefore we should be cautious in order not to compromise our independence. This applies in particular when cooperating with industrial and governmental associations/institutions.

- Respect confidentiality in information exchange

The work within MedReg is based on mutual trust. Information and data communicated at WG level should not be disclosed to third parties, except when the GA decides otherwise. In accordance with art. 8 of the internal rules: *“Documents that do not have the approval of the General Assembly to be published are to be regarded as confidential and be kept internal. Documents approved by the General Assembly as internal ones (i.e. not for public release) shall (...) not be circulated outside Members’ institutions for any reason.”*

- Communicate the institutional role of energy regulators

Regulators play a specific institutional role in developing transparent and stable regulatory frameworks. This role should be known to our partners in order to ensure that the nature of our activities (including its limits) is well understood and that no false expectations are raised. Regulators are not policy makers but that they implement legislation and regulation issued from policy choices in the most efficient and suitable way for the benefit of the market and consumers.

- Keep costs low

As a general rule, each party bears its own costs. Cost arising from joint projects should be kept low and shared between MedReg and its partner(s).

#### Recommendations

*These principles should be respected by all MedReg representatives when cooperating with external partners.*

*Only the President, in accordance with the decisions taken by the GA, can decide whether MedReg can engage in a cooperation which implicates costs for the Association.*

*If MedReg decides to opt for a more compulsory form of cooperation e.g. a cooperation protocol or a Memorandum of Understanding, these principles shall be included in such agreements.*

## 7. Shared responsibility for external relations within MedReg

In order to understand how internal coordination can be efficiently organised, we should take into account the basic legal principles as they are set out in the founding documents (statutes and internal rules) of the Association.

The President represents the Association externally and works *“within the scope of and in accordance with the decisions taken by the GA”* (cf. statutes art.11.1, internal rules art. 10.2). The President can delegate the representation temporarily to other MedReg entities (cf. internal rules art. 10.2).

As the highest decision making body of MedReg, “*The GA may deliberate on the participation of MEDREG to other European or international organisations and to specific projects that are useful to fulfil the aims of the Association*” (cf. internal rules art.10.3). Furthermore, the President should report to the General Assembly on meetings with third parties (cf. internal rules art. 10.2).

The Secretariat plays a coordination role providing support in keeping the different contacts and in the meetings held with external partners (cf. internal rules art. 10.2, statutes art. 16) and ensures that the messages of MedReg representatives to external partners are coherent.

These shared responsibilities allow MedReg to develop its external relations in a coordinated way. It is important that the messages communicated to third parties are always consistent with the orientations given by the GA and with the common positions agreed.

*Recommendations to improve internal cooperation:*

*The President, the INS WG and the Secretariat should be systematically informed beforehand if a MedReg member or a WG wishes to develop relations on behalf of MedReg with external partners.*

*The INS WG should approach continually other WGs to identify issues of common interest and discuss the suitable form of cooperation for each project.*

## 8. Next steps

The GA is kindly invited to endorse the guidelines and mandate the INS WG to pursue its work on the external dialogue.