MEDREG

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Institutional Working Group (INS WG)

Empowering Mediterranean regulators for a common energy future

ABOUT MEDREG

MEDREG is the Association of Mediterranean Energy Regulators, uniting 28 regulators from 23 countries across the European Union, the Balkans, and the MENA region. Established in 2007 and co-funded by the European Union, MEDREG serves as a platform for cooperation, knowledge sharing, and capacity building in energy regulation. It promotes coherent regulatory approaches and practices at the regional level, aiming for progressive market integration within the Euro-Mediterranean basin. To support its members, MEDREG organises training sessions, workshops, and tailored hands-on initiatives that enhance the capacity of energy regulators.

MEDREG's ultimate goal is to establish an integrated Euro-Mediterranean energy market that strengthens energy security and drives a clean energy transition. This includes integrating renewable energy sources, reinforcing cross-border infrastructure, promoting innovation, enhancing energy efficiency, and advancing renewable gases such as hydrogen. Additionally, MEDREG advocates for transparent and non-discriminatory regulation to attract infrastructure investments, modernise electricity and gas markets, and improve consumer protection.

The MEDREG Secretariat is located in Milan, Italy.

For more information, visit www.medreg-regulators.org

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Executive summary

The 2024 Mediterranean Regulatory Outlook continues as one of MEDREG's main reports, providing a comprehensive assessment of energy regulation developments in the Mediterranean region. It highlights recent achievements and updates from MEDREG member countries, reflecting the evolving regulatory landscape. Since the 2022 edition, MEDREG has welcomed North Macedonia as a new member, incorporating its regulatory framework and practices into the report.

This update captures recent advancements across members and introduces a set of Key Performance Indicators (KPIs) for power generation, transmission, distribution, and consumer services. These KPIs support standardised regulatory and operational performance evaluation, enabling consistent comparisons and improvements across the Mediterranean energy sector.

This edition also addresses the evolution of sectoral responsibilities among members, including any new sectors they now regulate in response to the energy transition and market demands.

In this 2024 report, the update process involved refreshing the 2022 data and revisiting benchmarking methodologies. The outlook is organised into sections that reflect various aspects of national regulatory frameworks, enriched by additional feedback and KPIs from the Institutional Strengthening Working Group (INS WG) to provide a detailed and multi-dimensional overview of energy regulation trends in the Mediterranean region.

Findings

The main findings of the last edition remain valid in this update. This report includes an additional analysis of several facets, including the Algerian hydrocarbons regulator (ARH), the Moroccan energy regulator that became fully operational in 2021, and the Lebanese electricity law that foresees the establishment of the Lebanese energy regulator in the near future.

- **Legal Status:** The energy regulators are not yet established in Tunisia, Libya, and Lebanon, noting that in Lebanon, the Lebanese Center for Energy Conservation (LCEC) acts as the technical consultant for the Ministry of Energy and Water until the establishment of the National Regulatory Authorities (NRA).

In most cases, the NRAs regulate electricity and gas markets. Still, in some instances, their scope is extended to other sectors, including district heating, competition, water, oil and fuels, telecommunications, and audio-visual. Moreover, in some exceptions, the electricity and gas sectors are regulated separately by two distinct regulators, such as in Algeria, Egypt, and Israel.

ANRE (Morocco) is the most recent NRA to be fully operational, having commenced in 2021. Additionally, this edition includes MEDREG's new member, North Macedonia.

• **Political and Legal Independence:** All NRAs in the region are distinct and functionally independent from other public and private entities. However, the competent Ministry or Government remains involved in specific topics that also impact the political aspects. For instance, in 12 countries, the competent Ministry or the Government is involved in tariff methodologies and tariffs.

In all countries, the NRA staff abide by rules that prevent any conflict of interest by prohibiting their staff from having employment relationships with the energy industry. In cases of non-compliance with Codes of Conduct, 20 NRAs foresee the dismissal of the breaching member or employee.

In terms of board members and chairman appointments, in most cases, these are made by the President, Prime Minister, or the relevant Ministry. In a few countries (only 9), the appointment of the Chairman and/or Members of the Board is made by Parliament.

Almost all NRAs are formally obliged to report to the Government or the Parliament. Reporting is mostly accomplished through Annual Reports as part of their accountability obligations.

• **Financial Independence:** Most NRAs are financed through their resources, including license fees (15 NRAs), market participation fees (9 NRAs), and fines (6 NRAs). In addition to these resources, other types of funding also contribute to the NRA budget, such as donations and grants from international organisations. In most countries, the NRA's budget process is established by law. The regulatory authority may seek approval of its budget from other public governmental bodies. Approaches vary from country to country.

• **Functional Independence:** In all Mediterranean countries, mechanisms for parties to appeal a regulatory decision are in place. Except for two NRAs that reported possible appeals through the Ministry, the remaining NRAs indicated appeals can be made either to the Administrative Court (18), Supreme Court (5), or an Appeals Tribunal (3).

• **Information Access:** Almost all NRAs have access to financial information from sector participants (accounts, operational details, agreements, personnel info, etc.). However, some NRAs have reported difficulties in obtaining complete data sets from existing vertically integrated incumbents.

• **Security and Quality of Supply:** Almost all NRAs monitor the medium and long-term supply/demand balance in the national market, expected future demand, and envisaged additional capacity, as well as the quality and level of maintenance of the networks and quality of supply. Where tendering procedures for new capacity are in place, powers granted to NRAs vary from country to country. About 50% of NRAs are involved in tendering procedures.

• **Market Opening and Market Monitoring:** The majority of MEDREG members have opened their electricity markets, although the extent of market opening varies. Gas market liberalisation follows at a slower pace, with variations from country to country according to the legislative framework in place and specific circumstances. Typically, market opening, roadmaps to consumer eligibility, and market design are formulated by law. Nevertheless, there are instances where NRAs are empowered to propose an electricity and gas market design, e.g. Egyptera, Gasreg (Egypt).

80% of the NRAs who responded to the questionnaires confirmed that they are responsible for collecting information on market dominance as well as on predatory and anti-competitive behaviour. Often, NRAs cooperate with Competition or Anti-trust authorities and Financial Authorities.

• **Tariff Setting:** Most NRAs are now involved in approving tariff methodologies and fixing tariffs for transmission and distribution. NRAs may also set the levels of public service gas supply, remuneration of the supplier of last resort, and generation tariffs (in cases of one vertically integrated incumbent and historical nuclear production). Most regulators also have the power to include performance-based components in the tariff methodologies. Only 50% of the NRAs have the competence to penalise a non-performing undertaking via a reduced rate of return over the tariffs.

• **Licensing:** Licensing of energy infrastructure is a practice adopted by all countries except for Slovenia. However, the licensing mandate, particularly their issuance, often lies with the Ministry rather than the regulator. Where the licensing regime is managed by the regulator, NRAs can have several powers depending on the legislation in place, such as issuance, setting the terms and conditions of the license, modification, renewal, monitoring, and imposing fines upon violation of terms and conditions. 24 NRAs responded regarding the average time to deliver a license, with average times ranging from one to two months from the date of application.

• **Dispute Settlement:** Almost all NRAs have a role in resolving disputes occurring between operators and between operators and consumers. Topics addressed by NRAs in dispute settlements include grid access, cross-border issues, commercial behaviours, errors in billing, undue disconnections, switching, or issues related to license holders' responsibilities.

• **Unbundling:** All Mediterranean NRAs have a role concerning utility unbundling, with the sole exception of Tunisia, where there is no regulator and no legal obligation for the unbundling of the vertically integrated incumbent. NRAs have a mandate to issue guidelines and rules for accounting unbundling, compliance, reporting, and cost allocation.

• **Technical Competencies:** The majority of the NRAs are involved in setting or approving standards related to the quality of supply and congestion rules (20). Twenty-one NRAs are

involved in issuing market rules and grid codes, defining metering rules and charges, and setting incentives. However, in about half of the countries, NRAs provide only an opinion on development plans, while approvals lie with the relevant ministries. Only a few NRAs maintain an audited account of revenues collected pursuant to congestion management mechanisms.

• **Consumer Protection:** All Mediterranean NRAs are responsible for customer protection in their regulated sectors, although the level of responsibility differs from country to country. Regarding vulnerable consumers, NRAs' responsibilities vary. Seven NRAs reported that they merely implement government policies. In contrast, four NRAs indicated that they define the policies for addressing vulnerable customers' needs, with an equal number of NRAs setting prices for vulnerable customers.

• **Internal Organisation:** The majority of NRAs are granted the power to decide on their internal organisation. However, a minority of NRAs have their high (or even lower) level organisation set by law. Most regulators have the power to autonomously decide on their human resources policy, including hiring and firing staff as well as staff allocation and competencies. The regulatory board is the final decision-making authority for the selection and appointment of staff members in 15 NRAs. Additionally, the regulatory board is also the final decision-making authority to remove and set penalties and incentives for staff members, with possible limitations caused by the State Budget. In several NRAs, employees' salaries are lower than those of personnel in the energy sector and at the level of civil servants.

Most NRAs have no legal restriction on the number of staff members employed. In a few countries, however, the number of NRA employees is established by law, and the NRA has no flexibility to recruit additional personnel to meet needs if necessary.

• **Enforcement:** An overwhelming majority of member regulators (21) have the power to sanction sector participants when necessary. When violations occur, most NRAs cannot revise tariffs or reduce rates of return on non-compliant operators.

• **Transparency and Accountability:** Almost all NRAs publish information on their functioning (missions, duties, organisation chart, and reports) via their website or regular reports, including their annual report. However, not all information is available in English, and some NRAs continue to lack an English version of their website.

Except for four members, Mediterranean NRAs consult stakeholders on draft regulations before making any final decisions. All NRAs have reporting obligations to other public bodies such as the Government, Ministry, or Parliament. Depending on national legislation, some NRAs are also required to appear annually before a parliamentary committee.

1 Context and methodology

The 2024 Mediterranean Regulatory Outlook was developed to address key areas identified by MEDREG members. The first focus is on the role of regulators in monitoring the quality of supply and service, which has expanded since 2022. This version broadens the scope of Key Performance Indicators (KPIs) across the entire electricity sector value chain, enabling more comprehensive performance assessments.

A second focus in the 2024 edition reflects the significant changes among energy regulators in the Mediterranean region, as many are now regulating additional sectors and taking on expanded responsibilities. This report gathers and assesses these changes, offering examples that serve as benchmarks for other regulators anticipated to expand into new sectors, such as ANRE's expected regulation of the gas sector in the near future.

This updated regulatory outlook provides a current overview to support MEDREG members in the ongoing development of their regulatory frameworks.

Additionally, this year, a new structure has been introduced to integrate the report with MEDREG's Electricity Market Observatory (ELE WG Phase) report. Together, they will form a flagship MEDREG report that combines regulatory insights with electricity market statistics. This new structure includes individual country profiles, which will be annexed to this report and accessible through MEDREG's website.

MEDREG will also share this report with the Union for the Mediterranean UfM REM Platform to define common grounds for potential future coordinated actions.

The Mediterranean Regulatory Outlook is an important report for identifying regulatory frameworks that would improve the role and independence of Mediterranean energy regulators.

The report is based on the collection of members' replies to the benchmarking developed for the 2022 edition of the Outlook. The benchmarking was revised and updated with additional information by the INS WG in 2024. The list of questions is divided into six sections reflecting the six Good Regulatory Principles identified by MEDREG in 2014 to describe energy regulatory frameworks according to the following aspects:

Principle	Description
Independence	Independence from national and regional governments and the industry guarantees regulatory stability and neutrality, avoiding situations in which the decisions of the regulator are constantly modified or influenced.
Competencies	Duties and powers should constitute a minimum set of competencies defining the specific responsibilities of a regulator to promote competition and empower consumers.
Internal organisation	Effective organisation means to have clear decision-making processes and an operative internal structure, with a distinction of roles and responsibilities.
Enforcement	Enforcement ensures market participants and regulated entities comply with rules, obtaining the public benefit that regulation provides.
Transparency	Transparency in the regulatory process helps others understand the regulator's work and is beneficial for proactive stakeholder engagement.
Accountability	Accountability means that the regulator takes on responsibility and can demonstrate outcomes and results from its regulatory actions.

Table 1. *Good Regulatory Principles identified by MEDREG*

To ensure consistency in the responses, questionnaires for this Edition of the Regulatory Outlook were structured as sets of multiple-choice questions, allowing for additional written explanations for responding parties to provide more details. The MEDREG Secretariat received 19 replies, as shown in the figure below:

Figure 1. *State of replies to the regulatory outlook benchmarking*

2 Overview of the questionnaire

The benchmarking was structured around the Good Regulatory Principles identified by MEDREG. These are presented in detail below to provide a basis for the analysis to follow in the next sections.

Legal Status

The legislative framework is not a principle but is a crucial aspect of understanding the nature, origin, and development of the regulator. This aspect provides a useful picture for understanding the environment in which the regulator operates. For instance, members were asked to indicate the current status of the entity devoted to regulating the energy sector (either existing, to be established, or not yet foreseen) with clear references to underlying primary or secondary national legislation. Moreover, the clarity of the regulatory role was investigated to analyse potential relationships with other bodies involved in the regulatory decision-making process: an overlap or a failure in the distinction of roles and responsibilities among different entities may be detrimental to a correct decision-making process.

Independence

Independence from national and regional governments and the industry guarantees regulatory stability and neutrality, avoiding situations where the decisions of the regulator are constantly modified or influenced. Such a crucial feature is analysed from different perspectives, and the practical measures and provisions put in place to guarantee the independent behaviour of board and staff members are considered.

Political and Legal Independence

One of the most important regulatory principles is the complete independence of the regulator from political and industrial interests, e.g. from national and regional governments, political organisations and any public or private body. Different relationships with other institutions, such as the government, ministry, or parliament, are investigated in terms of formal obligations (for instance, submitting tariff methodology or annual activities reports) and influence on board members (power to appoint or revoke them).

MEDREG members have been asked to describe the constraints that board and staff members may be subjected to when they join or leave the regulator, as well as the consequences of non-compliance with said constraints. To prevent conflicts of interest, provisions may forbid holding energy companies' shares, being employed in regulated entities during their term in office, or not being engaged after the end of their service in the regulatory body (cooling-off period).

Financial Independence

The independence of the regulatory authorities may be undermined by undue limitations on the financial resources that the regulator is eligible to receive, thus severely affecting the pursuit of the regulator's mission. Members have been asked to describe their sources of financing (e.g. national budget, market participation fees, fines), their autonomy in elaborating and approving the budget, and to detail whether any external control on their activities exists.

Functional Independence

Generally, in the legislative framework, clear mechanisms are established to appeal a regulatory decision, which is a prerequisite of a state grounded in the rule of law. It is important to understand to whom energy sector parties may appeal to defend their interests if they feel they may be harmed. Political or external influences may hinder or nullify the effectiveness of a regulatory decision, while an Administrative Court or Supreme Court may provide a more independent solution.

Competencies

Duties and powers should constitute a minimum set of competencies defining the specific responsibilities of a regulator to promote competition and empower consumers. Regulatory competencies generally refer to monitoring (including access to information), tariff setting, rulemaking, dispute settlement, and consumer protection.

Information Access

Regulation rules extremely sensitive sectors, which highly and directly affect revenues and costs for regulated entities and consumers. Therefore, it is of utmost importance to elaborate regulatory provisions based on evidence to demonstrate the rationale behind each decision to stakeholders. Only if a phenomenon is measured can it be controlled and addressed. To analyse the evolution of energy markets and infrastructures, regulators need access to a wide range of information from sector participants, such as financial, technical, and commercial data.

Security and Quality of Supply

Depending on the legislative framework, regulators may be responsible for monitoring the evolution of the demand and the necessary infrastructures to guarantee appropriate security of supply, even providing support to elaborate and implement the required actions, for example, organising and managing tendering procedures for new infrastructures.

Moreover, the regulator may monitor the main features of network development and operation, for instance, to elaborate regulations that incentivise better performance in the services delivered to consumers. This means monitoring the quality of supply in terms of the number and frequency of interruptions, the frequency and voltage stability in the electric networks, and pressure and the calorific values of the provided gas.

Market Opening and Market Monitoring

Although not fundamental, market opening is an important feature of energy markets that increases competition between utilities and correspondingly enhances service quality and consumer satisfaction.

However, considering the inherent nature of energy sectors, characterised by goods delivered through natural monopolies such as power or gas networks, the role of a regulator is crucial to evaluate and observe the evolution of energy markets, allowing for intervention and correction of potential distortions. Such continuous monitoring can enable the sanctioning of abuses and market manipulations, paving the way for fair competition and consumer protection, even with the support of other institutions such as Competition Authorities or Ministries.

The regulator must be allowed to collect data from regulated entities and directly from stakeholders to receive feedback from the ground to correct and improve regulation.

Tariff Setting

One of the important competencies of NRAs is the power to fix transparent and non-discriminatory tariffs for connection, access, and use of energy infrastructures such as electric networks or gas pipelines.

Tariffs should be cost-reflective, provide incentives for efficient new investment, and avoid cross-subsidies among network users.

The regulator should be responsible for fixing or approving those tariffs to guarantee the economic sustainability of network development and ensure that costs passed on to consumers are duly justified.

Licensing

The regulator may be responsible for supporting or being directly involved in a licensing regime to build a well-designed energy infrastructure plan in the short and long term (such as networks, generation power plants, gas storages, and Liquefied Natural Gas (LNG) regasification units), which may consist of different phases ranging from issuing licenses, determining terms of reference, monitoring compliance, to imposing sanctions and fines. Regarding limited market opening, this competence is extremely sensitive, as it may allow distortions in the market if the procedures are sufficiently robust and non-discriminatory.

Dispute Settlement

In its *super partes* role in the energy sector, promoting its non-discriminatory, fair, and transparent development and operation, the regulator is tasked with settling disputes that may arise among stakeholders. Considering the asymmetrical market power and knowledge between industry and

consumers, regulators tend to establish different mechanisms to resolve such litigations in the simplest and most economical way. The approach is to support smaller consumers in asserting their rights and to reduce time and costs for both parties, for instance, by avoiding appealing to a Court.

In more advanced cases, the regulator may intervene in disputes between industry operators, for instance, when access to infrastructures is not guaranteed according to the timetable reported in the license.

Unbundling

To ensure as much as possible the above-mentioned non-discriminatory and transparent access, energy infrastructures should be developed and managed according to clear and transparent procedures. An important aspect is to ensure there is a separation of infrastructure management from ownership to weaken the market power of the largest firms. This separation can occur under three options: ownership unbundling, independent system operator (ISO), and independent transmission operators (ITO). A comprehensive understanding of the costs of regulated entities (Transmission System Operators (TSOs), Distribution System Operators (DSOs), etc.) allows regulators to set cost-effective tariffs to be transferred to end users. Nevertheless, infrastructure "neutrality" may be ensured more effectively with a complete separation between market-oriented operators and natural monopolies.

Technical Competencies

The regulator's mission should be characterised by detailed instructions, provisions, and guidelines to govern the regulated sectors according to MEDREG's good regulatory principles. This means that the regulator is provided with powers to discipline and address regulated entities (metering rules, transmission capacity allocation, grid codes, etc.) toward the general objectives assigned to the energy sector by legislative and regulatory frameworks: partially or entirely market opening, consumer protection, and promotion of investments and security of supply.

Consumer Protection

Consumer protection shall be deemed another significant factor that should be in every regulatory authority's charge for the development of the energy market. The relevant asymmetry of knowledge between consumers and industries requires the regulator to promote awareness of consumer rights, ensure simple and inexpensive access to dispute settlement, guarantee high-quality services, and, in some cases, establish tariffs to support more vulnerable consumers. Several instruments, such as complaint management, price comparison tools, information campaigns, and alternative dispute resolution processes, may be implemented, with adequate powers to sanction sector participants in cases of no compliance.

Internal Organisation

Effective organisation means having clear decision-making processes and an operative internal structure, with a distinction of roles and responsibilities. Moreover, given the high-level skills required of staff members, regulators were asked to describe their recruitment processes, human resources management, economic issues, training, and career dynamics. These aspects may be relevant to attracting and retaining experts from industries where most technical and regulatory skills may be found.

To collect such features, regulators were asked to evaluate Information Technology (IT) and Human Resources (HR) budgets as percentages of their total budget and indicate the total number of employees in the main departments.

Enforcement

Enforcement ensures market participants and regulated entities comply with rules to obtain the public benefit that regulation provides. Moreover, only real powers provide the regulator with a "watch dog" role that can effectively induce fully compliant behaviour from sector participants.

Therefore, regulators were asked to describe the mechanisms to sanction sector participants, such as reducing tariffs and applying fines, and whether these have been practically applied (i.e. evaluating the total amount).

Transparency and Accountability

Transparency in the regulatory process helps others to understand the regulator's work and is beneficial for proactive stakeholder engagement. Accountability means that the regulator takes on the responsibility and can demonstrate outcomes and results from its regulatory actions.

Several questions shed light on how transparency is assured concerning regulatory provisions or general information on the authority itself, for instance, publishing detailed information on their websites or issuing annual reports.

Considering the significant impacts of regulatory decisions, regulators may implement different tools to engage stakeholders at various stages of the regulatory decision-making process. This approach supports fact-based regulation, gathering opinions, data, and technical expertise from sector participants through public hearings or open consultations.

Finally, accountability processes are investigated, as public bodies may be invited to report on their main activities and results, not only if required by legislation but also in front of stakeholders, thus enhancing their accountability.

3 General Overview of Mediterranean Energy Regulation

The following section presents a general overview of the status of energy regulation in the Mediterranean Region in 2024. Results are based on an aggregated investigation of all the MEDREG Good Regulatory Principles (Legal Status, Independence, Competencies, Internal Organisation, Enforcement, Transparency and Accountability), which are analysed individually.

3.1.Legal Status

- **Year of establishment:**

The NRAs are established in most Mediterranean countries. The most recent ones are GASREG (Egypt) in 2017 and ANRE, which became fully operational in 2021.
In total, among 28 members, 24 are NRAs and 4 ministries. In some cases, a certain period elapsed between the legal establishment of the NRA and the actual initiation of its activities in the market, as shown in the figure below.
In other cases, the law reinforces the competencies of the NRA. It extends its scope to other sectors, such as Malta, where in 2015, The Regulator for Energy and Water Services "REWS" took over the regulatory functions from the Malta Resources Authority, which was established in 2001. Conversely, in Albania, the NRA has been fully operational since 1995. However, since 2015, the regulator has operated based on Law no. 43/2015, of 30.04.2015, "For the power sector", and Law no.102/2015 "For the natural gas sector".

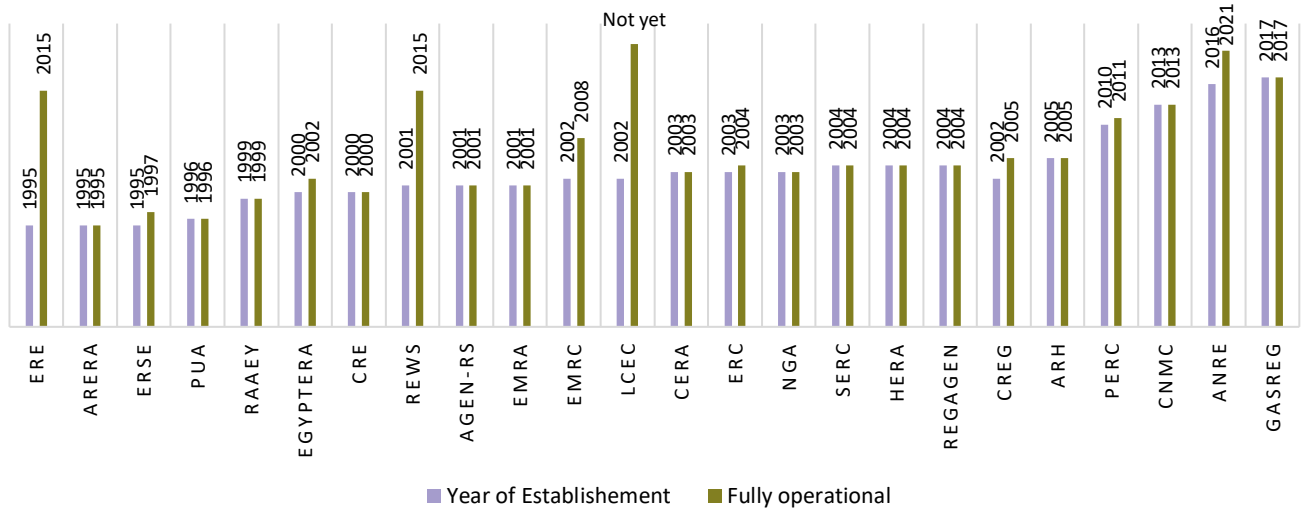

Figure 2. *Year of establishment of the Mediterranean regulators*

The year of establishment of each Mediterranean regulator is reported in Figure 2, which also includes the year when the NRA became fully operational (as explained above).

- **Regulated sectors:**

Regarding the regulated sectors, most commonly in the Mediterranean region, the NRAs regulate both electricity and gas markets. However, in some cases, the competencies of the NRA are extended to other sectors.

The Spanish experience in this regard is particularly interesting. In 1998, the National Energy Commission "CNE" was created as the regulatory body for energy systems. Then, in 2013, 6 NRAs combined to establish the CNMC, which regulates the electricity, gas, oil, and other sectors (telecommunications, audio-visual, transport, and postal sectors).

In other cases, a different pattern is used, where each energy sector is regulated by a different authority. For instance, in Egypt, GASREG regulates the Gas market while EgyptERA for the electricity market. In the case of Algeria, ARH and CREG (Algeria), the regulation of the gas market is divided between two regulators: CREG is responsible for the distribution of the gas market. At the same time, ARH regulates hydrocarbons and gas exports.

Some NRAs include additional energy sectors in their activities, such as oil, fuels, district heating, and cooling.

A few are multisector regulators, as they regulate water services. The most recent example is the Greek regulator, where RAE included water and waste management and became RAAEY. Others include ARERA (Italy), REGAGEN (Montenegro), ERC (North Macedonia), and the electric mobility network, as in the case of ERSE (Portugal). Figure 3 provides an overview of the regulated sectors in the region.

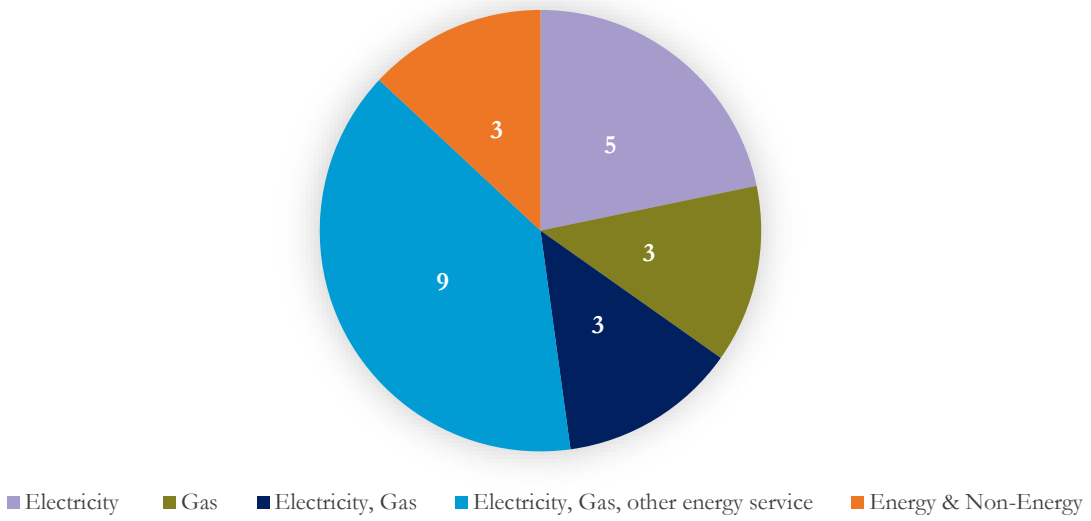

Figure 3. *Overview of the regulated sectors in the Mediterranean region*

- **Regulated sectors' evolution**

In this edition, regulators were also asked whether, during their existence, they had to take on additional sectors beyond those initially outlined in their founding legislation. Nine of them reported expanding their regulatory scope to include both energy and non-energy sectors since their establishment, as detailed below:

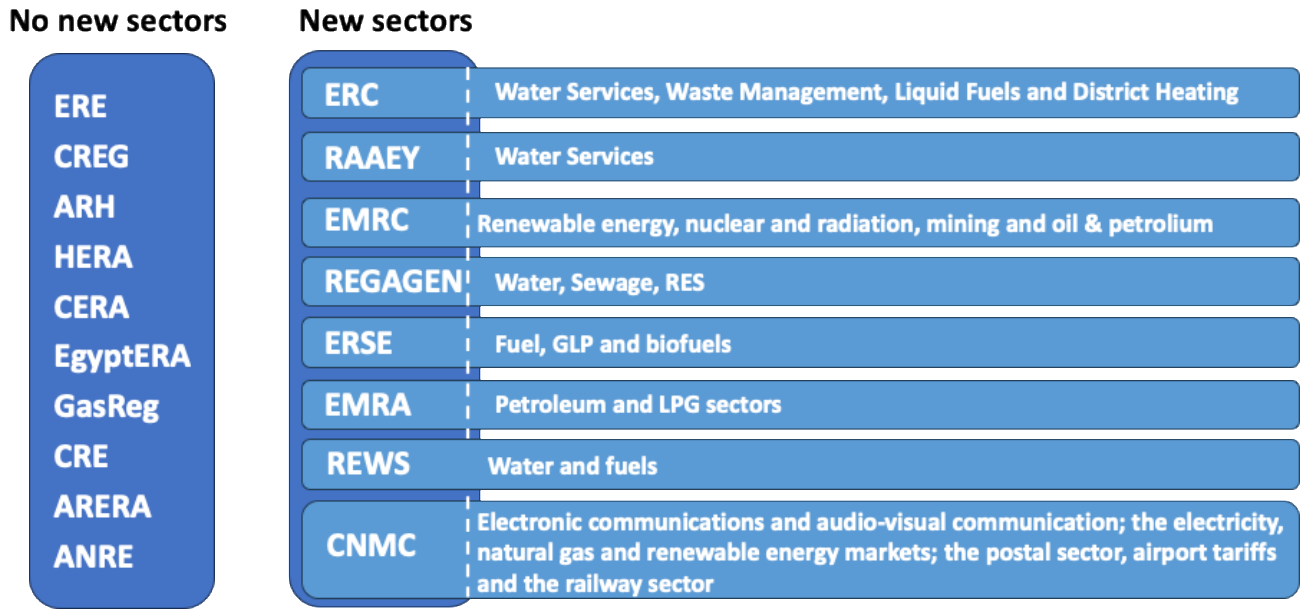

Figure 4. *New regulated sectors in the Mediterranean region*

The details by regulators are given below:

Greece, RAAEY: Water and Waste

Water Services Competencies:

1. Supervision and Monitoring: RAAEY oversees and monitors the provision of water services, ensuring compliance with general management rules and principles, including conservation measures, protection zones, safety plans, and providers' obligations.

2. Costing and Pricing: The authority proposes and supervises the application of costing and pricing methods, making recommendations if incorrect implementations are identified.

3. Performance Assessment: RAAEY utilises economic and quality indicators to evaluate and report annually to the Minister of Environment and Energy on the operational and financial performance of water service providers.

4. Organisational Reforms: It proposes measures for reorganising water service providers, including inter-municipal collaborations and programmatic contracts, to enhance management capacity and service quality.

5. Certification and Quality Assurance: RAAEY certifies water service providers to ensure the continuous, safe, reliable, and affordable supply of drinking water to consumers.

Waste Management Competencies:

1. Monitoring and Reporting: RAAEY supervises urban waste management, utilising relevant data to ensure proper economic and physical management, and reports its findings annually.

2. Access to Data: The authority has access to databases maintained by other public bodies, which must provide necessary information without delay to support RAAEY's monitoring functions.

Jordan, EMRC: Renewable Energy, Nuclear and Radiation, Mining, and Oil & Petroleum Derivatives

The Energy and Minerals Regulatory Commission (EMRC) in Jordan represents a progressive shift toward a comprehensive and diversified energy and resource management framework. Initially established as the Electricity Regulatory Commission (ERC) to oversee the electricity sector, the regulatory body expanded its mandate to address the growing complexities of Jordan's energy and mineral sectors. The ERC evolved into the EMRC, incorporating regulatory oversight of renewable energy, nuclear and radiation safety, mining, and oil and petroleum derivatives. This transition reflects Jordan's strategic focus on diversifying its energy mix, promoting sustainable development, and ensuring the safe and efficient utilisation of natural resources. Today, the EMRC plays a critical role in regulating and fostering innovation across these sectors, aligning with national goals for energy security, environmental sustainability, and economic growth. Through its expanded mandate, the EMRC has become a cornerstone of Jordan's efforts to modernise its energy and mineral industries while addressing global energy trends and local resource challenges.

Montenegro, REGAGN: Water, Sewage, and Renewable Energy Sources (RES)

Water and Sewage:

- The Agency issues licenses to business companies and entrepreneurs who meet legal requirements for performing regulated utility activities.

- It approves price proposals for regulated communal activities.

- The Agency conducts mutual comparisons of operations and performance indicators of regulated utility operators using prescribed benchmarks.

Guarantees of Origin:

- The Agency monitors and analyses the work of energy entities in fulfilling obligations related to guarantees of origin.

- It approves rules on guarantees of origin and fees for using the register of guarantees of origin.

RES Support Schemes:

- The Agency determines the temporary status of privileged producers and grants this status for 12 years.

- It issues decisions on the termination of privileged producer status and maintains a register of privileged producers, including those with temporary or ceased status.

North Macedonia, ERC: Water Services, Waste Management, Liquid Fuels, and District Heating

The Energy Regulatory Commission (ERC) in North Macedonia has competencies regulated by the Law on Energy for electricity, gas, liquid fuels, and district heating. New competencies for water services are regulated under the Law on Setting Water Services Prices, while waste management falls under the Law on Waste Management. The ERC has established appropriate departments and staffed them accordingly. While activities for setting water service prices are ongoing, the ERC has not yet taken any actions in waste management.

Portugal, ERSE: Fuel, LPG, and Biofuels

ERSE (Energy Services Regulatory Authority) has an independent unit dedicated to fuels. Legal, general administration, and consumer units perform tasks across all regulated sectors, ensuring comprehensive oversight and regulation.

Spain, CNMC: Multisectoral Regulation

The Spanish National Markets and Competition Commission (CNMC) regulates several sectors, including:

- Electronic communications and audio-visual communication.

- Electricity, natural gas, and renewable energy markets.

- Postal services, airport tariffs, and the railway sector.

The Spanish government has approved a draft bill that includes the possibility of splitting the current energy division from the multisectoral regulator to create an independent energy regulator.

Türkiye, EMRA: Petroleum and LPG

The Energy Market Regulatory Authority (EMRA) in Türkiye regulates the petroleum and LPG sectors, ensuring compliance and efficient market operations.

France, CRE: Internal Structure Changes

Since September 2023, the Commission de Régulation de l'Énergie (CRE) has implemented several internal structural changes:

- The Pricing and Competition Department of the Market Development and Energy Transition Directorate (DDMTE) has been renamed the Upstream-Downstream Electricity Department.

- The Foresight and Innovation Department has merged with the Economic and Financial Affairs Directorate, forming the Directorate for Economic and Financial Affairs, Forecasting, and Innovation (DAEFPI).

An earlier example of reorganisation was the establishment of the Networks Directorate in 2015, which aimed to enhance assertiveness towards operators, specialise in energy sectors, and address European energy infrastructure issues. The merger of DARE and DIRGAZ streamlined operations into five departments: Transport of Electricity, Upstream Gas Infrastructure, Distribution, Technical, Interconnections and European Affairs. This reorganisation improved efficiency, consistency, and network tariffication processes, achieving its objectives despite initial challenges.

- **Regulatory Legislation:**

Regulatory issues can be addressed through various forms of legislation, most commonly via primary, secondary, or a combination of both. Primary legislation, which may include laws, decrees, or acts, establishes the overarching regulatory framework and sets out the fundamental rules that market participants must follow. Secondary legislation, such as regulations, codes, or communiqués, provides further detail or specific guidelines to support the implementation of primary legislation.
In the Mediterranean region, 15 NRAs utilise a combination of primary and secondary legislation to address regulatory matters, while 8 rely solely on primary legislation. Notably, ARERA addresses regulatory issues exclusively through secondary legislation. The figure below illustrates the approach taken by each NRA in the Mediterranean region.

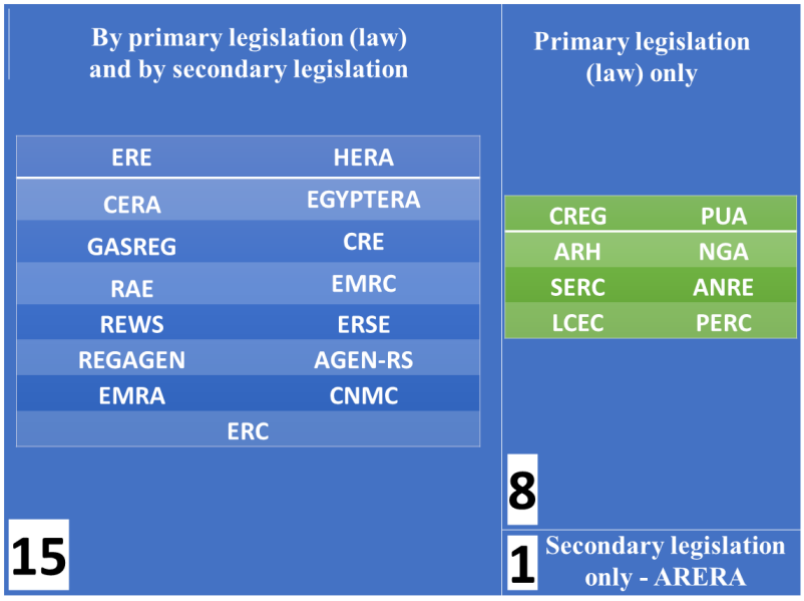

Figure 5. *Type of legislation used to address regulatory matters*

- **Role of the NRAs in the Energy Sector**

Generally, the competent ministry is responsible for establishing the national energy strategy with NRAs and then designing the regulatory framework to align with that strategy.

In some countries, however, entities outside the NRA also play a role in licensing or tariff setting, as is the case in Morocco, Egypt, and Palestine. In Bosnia and Herzegovina, the Competition Council intervenes in wholesale market violations and also provides support in drafting tariff regulations.

In France, the Ministry of Economy and the Ministry of Sustainable Development provide guidance on specific areas mandated by law or tasks assigned to the NRA beyond its core regulatory duties. This includes organising tenders for renewable energy capacity and setting long-term strategic goals, such as those outlined in the national energy strategy. However, these ministries do not have the power to veto or override decisions made by the Commission de Régulation de l'Énergie (CRE).

Similarly, in Italy, the Authority exercises full autonomy and independence in its regulatory functions while following general policy guidelines established by the Government and Parliament and aligning with European Union regulations. The Government may suggest actions that would benefit the country's public utilities, although it does not interfere with the Authority's regulatory decisions[1].

In Portugal, the Directorate General for Energy and Geology (DGEG) leads efforts to design, promote, and evaluate energy and geological policies, focusing on sustainable development and supply security. Within its purview, the DGEG oversees the registration of electricity and natural gas suppliers, licenses infrastructure for the Natural Gas Network (transport, storage, and distribution), and manages licensing for private natural gas usage and operation of filling stations. It also licenses

[1] In the "Documento di Programmazione Economico-Finanziaria", Three-year Economic and Financial Planning Document

facilities within the Electric Network of Public Service and grants access to grid capacity for electricity production activities. The Portuguese Government sets Costs of General Economic Interest (CIEG) linked to energy policy costs, which are integrated into grid access tariffs.
Compared to the 2022 regulatory outlook, there have been no notable changes under this criterion.

3.2. Independence

3.2.1. Political and Legal Independence

Except Israel, all NRAs in the Mediterranean region are distinct and functionally independent from any other public or private entity. In Israel, the electricity regulator (PUA) is partially independent, operating within the Ministry of Energy. While the ministry has some authority to influence decisions, areas such as legal matters, internal controls, budget, and tariffs remain fully independent. Similarly, the gas regulator (NGA) is part of the Ministry of Energy and maintains partial independence.
The primary indicators of political and legal independence among NRAs remain consistent with the 2022 regulatory outlook. This update, however, includes North Macedonia, a recent addition to MEDREG. Most NRAs generally operate autonomously from direct governmental or other public or private influences while carrying out regulatory tasks, maintaining a separation between regulation and energy policy, though adhering to the guiding principles of national energy policy.
To uphold NRA neutrality, regulatory staff—particularly board members—are prohibited from employment relationships within the energy sector or holding shares or interests in regulated utilities while in office. Strict and transparent conflict-of-interest rules, set out in general law, energy law, or the NRA's internal rules or code of ethics, are enforced through administrative and economic sanctions for non-compliance. For example, in North Macedonia, Article 17, paragraph (3), point 3 of the Energy Law stipulates that appointees to the Energy Regulatory Commission must not have served in the management or oversight bodies of companies involved in energy activities or water services for at least two years prior to appointment; otherwise, they are disqualified from appointment.
NRA regulatory decisions are binding on affected parties; however, these decisions are typically subject to appeal in administrative or supreme courts.

- **NRA's Obligations vis-à-vis Government or Parliament**

Nearly all NRAs are formally required to report to either the Government or Parliament, primarily fulfilling this accountability through Annual Reports. Additional interactions between the regulator and the relevant Ministry (or Government) involve the approval of draft budgets and work plans. The figure below illustrates the most common formal obligations of NRAs toward the Government and Parliament.

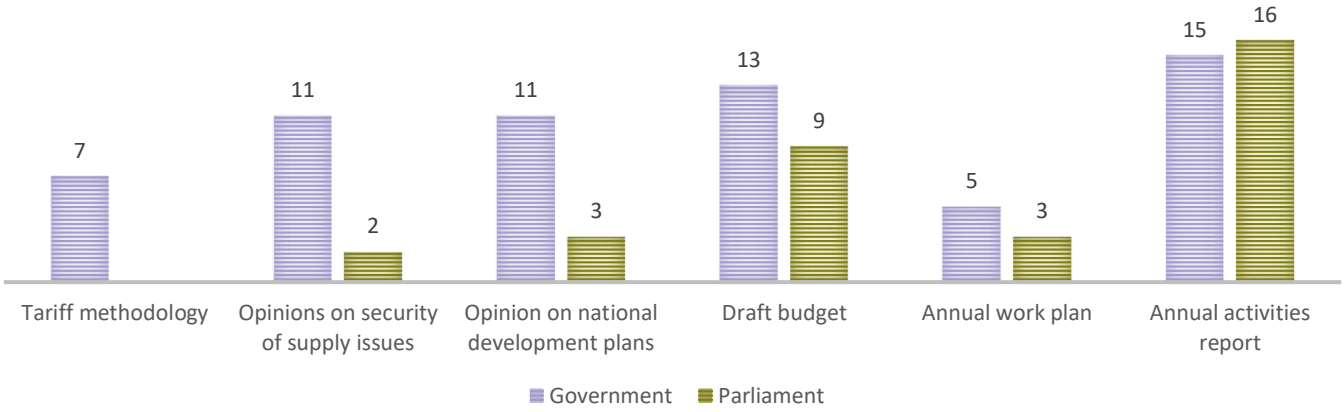

Figure 6. *Formal NRAs' Obligations to Government and Parliament*

- **Board Members' Appointment**

Although the independence of NRAs is established by the legal framework, board members are still appointed by the government, typically by the President, Prime Minister, Parliament, or the relevant ministry. When Parliament appoints board members, with representation from all political parties, candidates are usually proposed by the relevant ministry to safeguard the NRA's independence, as seen in North Macedonia.

Overall, the selection process for NRA board members is critical to ensuring regulatory independence. The selection process has been thoroughly reviewed in this edition of the Regulatory Outlook, as detailed below.

Overall, the selection process of the NRA board is crucial to securing its independence. In the context of this Edition of the Regulatory Outlook, the selection process has been surveyed in depth, as reported below.

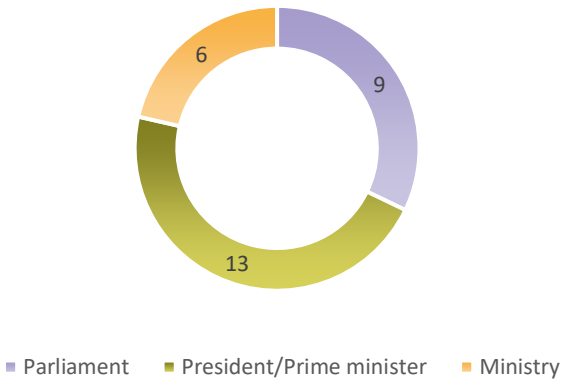

Figure 7. *Board members appointment*

Compared to the 2022 edition, the nomination of board members remained the same, including the case of North Macedonia.

- **NRA's Staff Selection**

In most cases, NRA staff are recruited through public calls, with defined selection criteria to identify suitable candidates and a selection committee responsible for evaluating applicants. However, for board member positions, only eight NRAs use public calls to select candidates, as illustrated in the figure below:

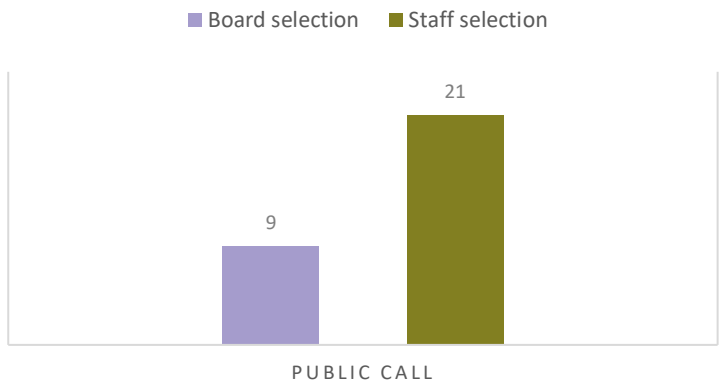

Figure 8. *NRAs use of public call for the selection of board members and staff*

- **Chairman and Board Members' Terms of Office**

Except Algeria (both CREG and ARH), the terms of office for chairpersons and board members in most NRAs are fixed. Sixteen out of twenty-two regulators offer fixed terms with renewable mandates, generally allowing for a maximum of two renewals. Board members may be removed under specific conditions, such as conflicts of interest, criminal records, health issues, or non-performance and misconduct.

To further protect regulatory independence, 17 NRAs have implemented "cooling-off" periods, which prevent board members or staff from joining regulated entities for a set time after leaving their positions. This period varies across countries, with a maximum of three years in North Macedonia. In North Macedonia, members and the President of the Energy Regulatory Commission serve five-year terms, with a limit of two consecutive terms. Additionally, before their term ends, the President or any member may be dismissed if they:

- Perform their duties unethically or unprofessionally;
- Violate obligations of impartiality and independence;
- Abuse their role;
- Act in any other way contrary to the law.

3.2.2. Financial Independence

- **NRA's Funding**

Financial autonomy is essential for the independence of the NRA. This is recognised by the legal framework in most Mediterranean countries. Compared to the previous edition, the case of North Macedonia was added, along with an update on the Greek case, which now regulates waste and water services. For the former, ERC is funded by its resources through licence fees as follows:

- Collection of fees for issuing licences for performing energy activities or for registering in the register of foreign traders and suppliers of electricity and natural gas that can perform activities in the Republic of Macedonia.
- Fees from the procedure for determining the tariffs for water services, i.e. the regulatory tariff for water services;
- Collection of annual fees from license holders for performing energy activities and from foreign companies that perform energy activities in the Republic of Macedonia.
- A special annual fee determined as a scope rate of the annual revenue of the water services providers derived from the provision of water services.

For the Greek regulator, the funding of RAAEY is defined in law 4001/2011 as follows:

- Fees imposed on businesses in the energy sector:
    - One-time fees for processing, issuing opinions, or decisions on applications submitted for the granting, modification, extension, or renewal of licences or certification for the exercise of energy activities.
    - Annual fees for the exercise of energy activities and activities in the liquid fuel sector.
- Subsidies, grants, funding for research programmes, and any other revenue originating from the European Union and international organisations.
- Revenue from fines.
- A percentage of the landfill fee.
- A percentage of the annual turnover of water service providers, excluding Land Improvement Organisations.

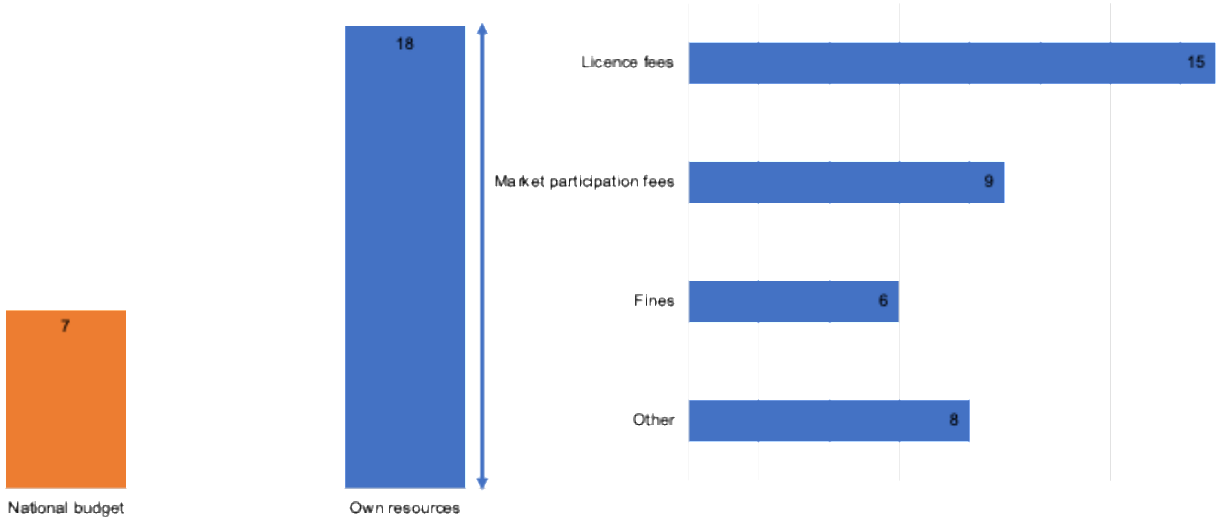

Figure 9. *NRAs' sources of funding*

- **NRA's Budget Approval**

In most countries, the NRA's budget process is established by law. As reported in the figure below, the regulatory authority may seek approval of its budget from other public governmental bodies, which vary from country to country. The case of North Macedonia was added to the figure, where the budget is approved by Parliament.

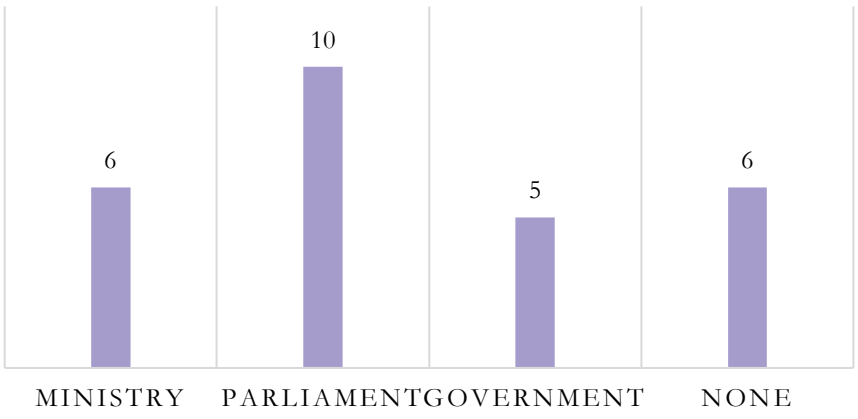

Figure 10. *NRAs' Budget Approval Obligations*

3.2.3. Functional Independence

In all Mediterranean countries, mechanisms for parties to appeal a regulatory decision are in place. Except for two NRAs that reported possible appeals through the Ministry (CREG & ARH), the remaining NRAs informed that appeals either to the Administrative Court (18), Supreme Court (5),

or an Appeals Tribunal (3), as shown in the figure below. Overall, the treatment of appeals indicates considerable progress regarding functional independence. In the case of North Macedonia, the appeal mechanism is through the administrative court.

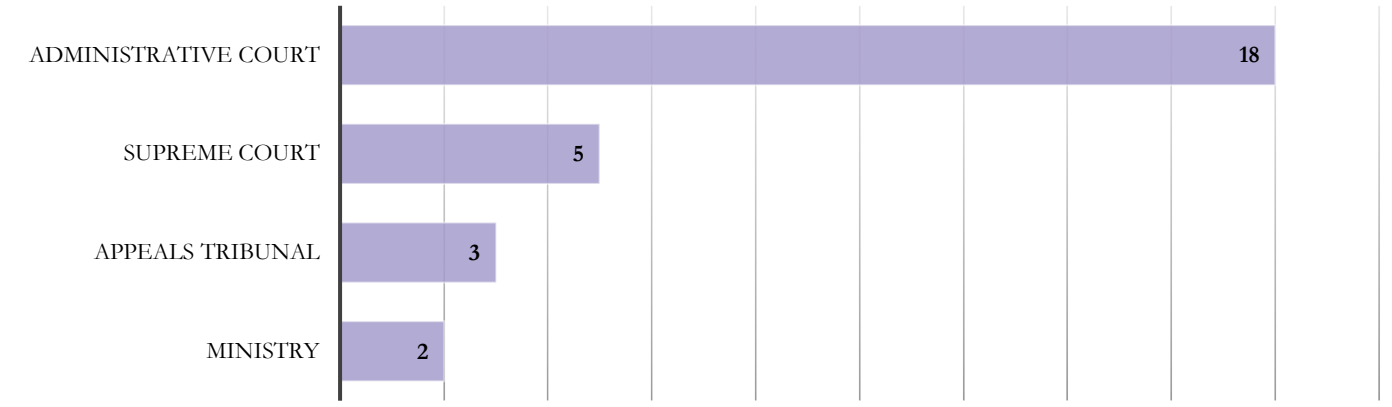

Figure 11. *Entities to which regulatory decisions are appealable in MEDREG countries*

The decisions of the NRA remain in effect pending appeal, except for ARERA (Italy) and, partially, for PUA (Israel), where it depends on the judge's decision. Overall, NRAs have comparable satisfactory levels of independence, which guarantees regulatory stability and neutrality and avoids situations in which the decisions of the regulator are constantly modified or influenced.

3.3. Competencies

3.3.1. Information Access

Except for NGA (Israel), all Mediterranean NRAs have full access to financial information from sector participants (accounts, operational details, agreements, personnel information, etc.). NGA (Israel) may obtain complete information from utilities upon request and from regulated entities only. In addition, all regulators also have full access to technical information from utilities.

3.3.2. Key performance indicators for the electricity market

In this edition of the regulatory outlook, the quality of supply and service indicators has been extended to power generation, transmission, distribution, and consumer quality of service. The used KPIs are shown below:

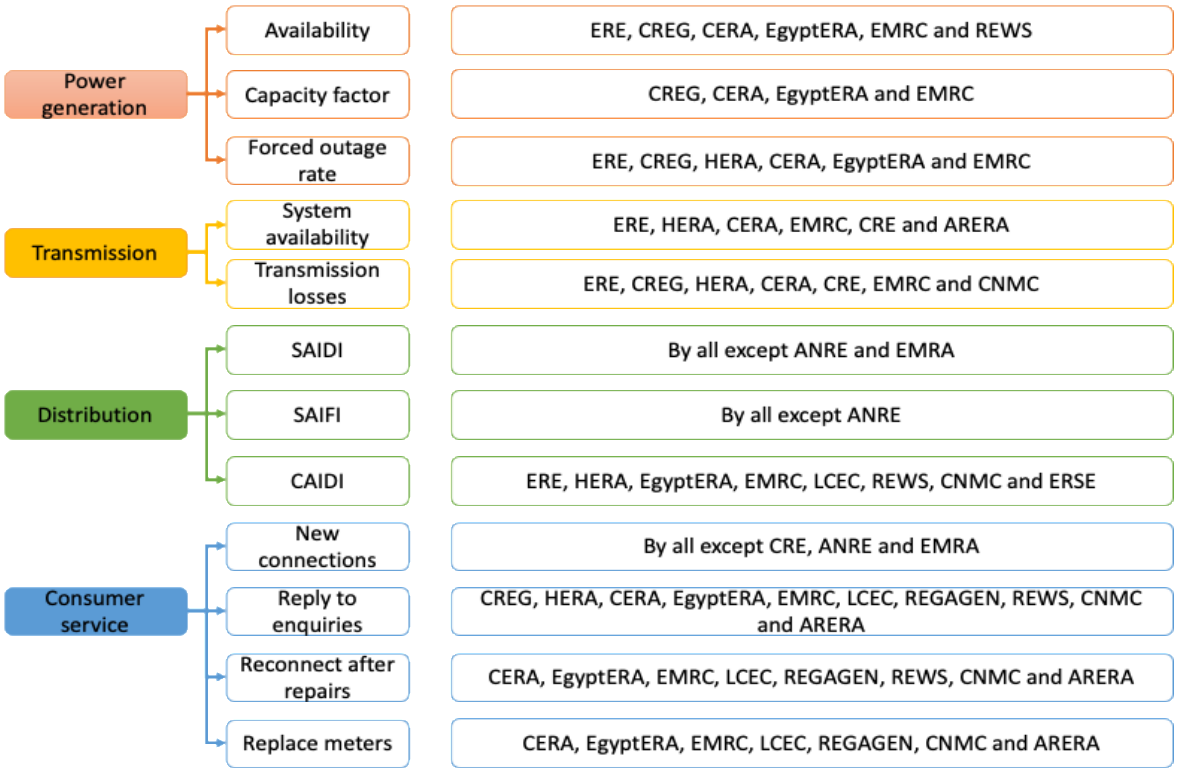

Figure 12. *Main indicators monitored by the NRA for the electricity distribution*

The details are provided in the country profiles[2] with the most recent value for each indicator.

3.3.3. Market Opening and Market Monitoring

In terms of market opening and monitoring, the same levels are observed as in 2022. All NRAs are responsible for collecting information on market dominance and predatory and anti-competitive behaviour. In the latter case, most regulators cooperate with other regulatory authorities, such as the competition/anti-trust authority.

3.3.4. Tariff Setting

All NRAs participate in the tariff-setting process, as noted in the 2022 edition and the figure below.
In North Macedonia, the energy regulator (ERC) is responsible for adopting methodologies for establishing transmission and distribution tariffs and approving methodologies for balancing and ancillary services.
ERC also has the authority to require transmission and distribution system operators to adjust terms, conditions, tariffs, rules, mechanisms, and methodologies to ensure they are cost-reflective and applied in a non-discriminatory manner. Additionally, the regulator is involved in setting connection fees.

[2] Available on MEDREG website

Currently, the energy regulator is developing incentive-based regulation, aiming to include performance-based methodologies and mechanisms to penalise underperforming entities through a reduced rate of return on tariffs.

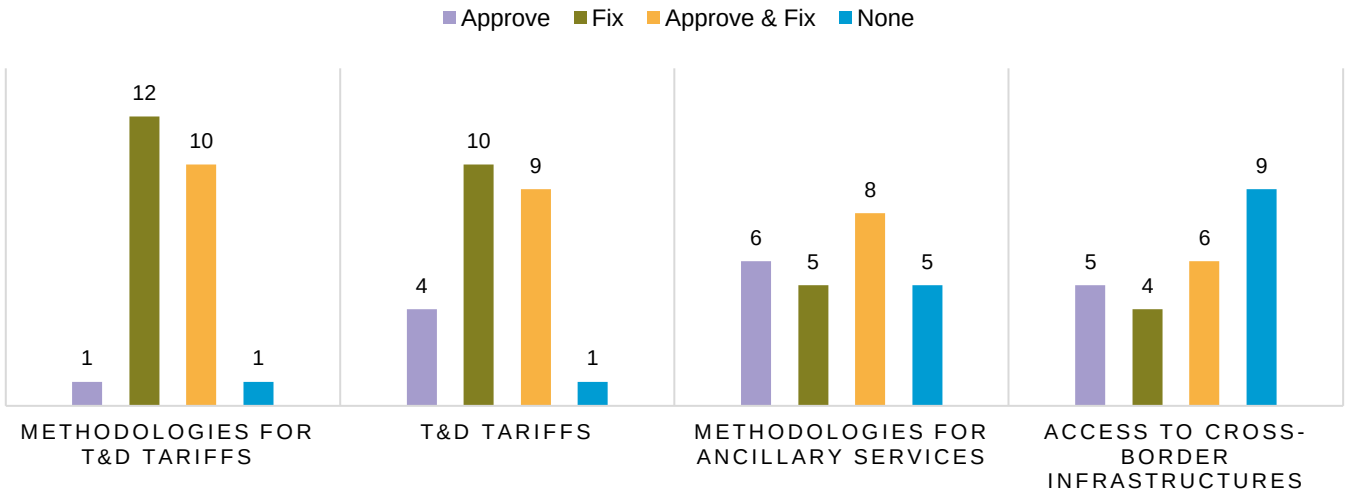

Figure 13. *NRAs' responsibilities concerning tariff setting in the Mediterranean countries*

3.3.5. Licensing

A licensing regime is in place in all MEDREG member countries, including North Macedonia, the new member in this edition. However, NRAs are not involved in all cases, such as in France, Italy, Morocco, Portugal, and Spain, where the licensing process is generally handled by the Ministries. ARERA (Italy) may address observations and recommendations to the Government and Parliament regarding licenses or authorisations, and to the Ministry of Economic Development concerning licensing, convention and authorisation schemes, and any changes to or renewal of existing schemes. Where the license regime is managed by the regulator, NRAs can have several powers depending on the legislation in place, for instance:

- Issuing licences.
- Determining the terms and conditions of licences.
- Reviewing and monitoring licences and their compliance with the terms and conditions.
- Modifying licences.
- Imposing fines on licence holders for infractions and reporting them for violations of the terms and conditions of licences.

However, as noted in the figure below, NRAs are not always responsible for all stages of the licensing process.

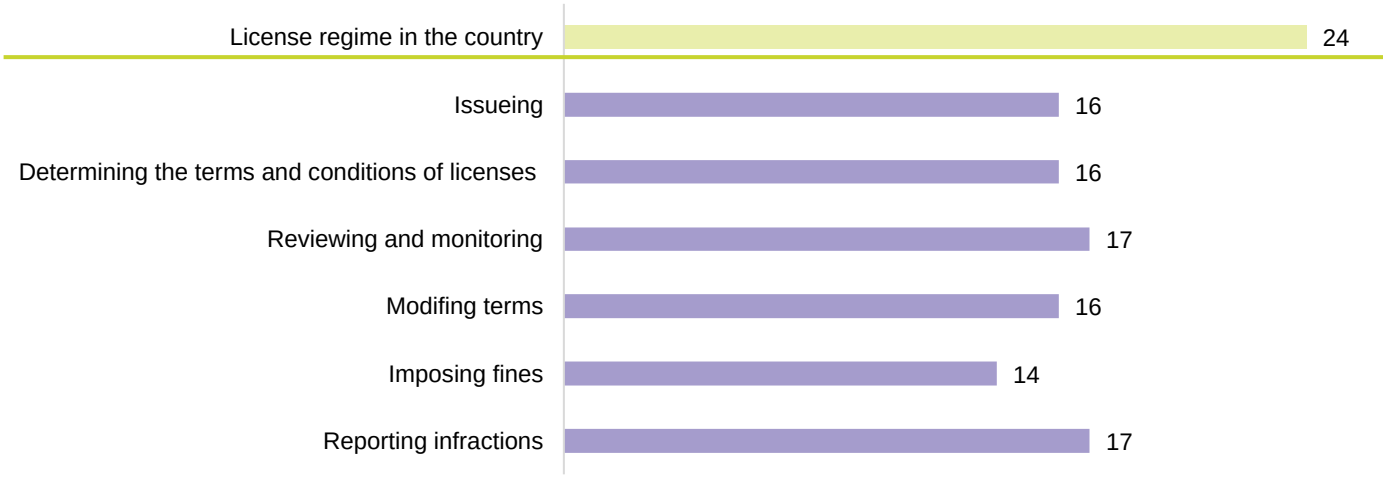

Figure 14. *NRAs competencies on licensing regime.*

When infractions arise concerning the terms and conditions of licences, 17 Mediterranean NRAs are obligated to refer these cases to another public body, typically the Ministry, the Competition Authority, or the TSO.

For NRAs that issue licences directly, the average processing time ranges from one to over two months from the date of application, as shown in the figure below. The time required to issue a licence may vary based on the type and complexity of the licence requested and whether the application is complete, with all necessary documents and information provided.

In 2024, some members have reduced their licence issuance times; for example, EgyptERA reduced its processing time from 60 days to 30 days as of 2023, Jordan reduced its timeframe from 3 months to 2 months, and North Macedonia now averages 25 to 30 days for licence issuance.

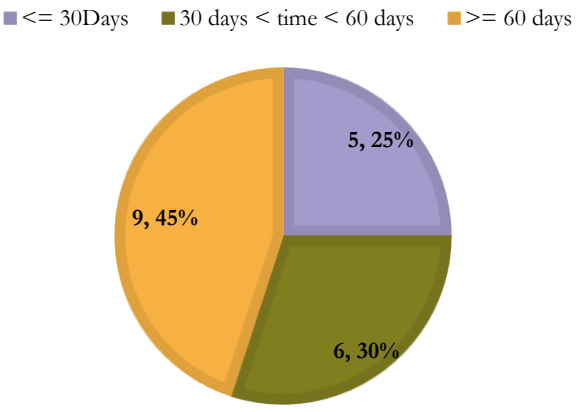

Figure 15. *Average time to deliver a license.*

3.3.6. Dispute Settlement

As noted in the 2022 edition, most NRAs are involved in dispute settlement between industry actors or between industry and consumer actors. The same applies to North Macedonia, which deals with the most common topics related to grid access, third-party access, and cross-border disputes.

The figure below provides the number of NRAs competent in dispute settlement and the topics addressed by NRAs in this context, including North Macedonia.

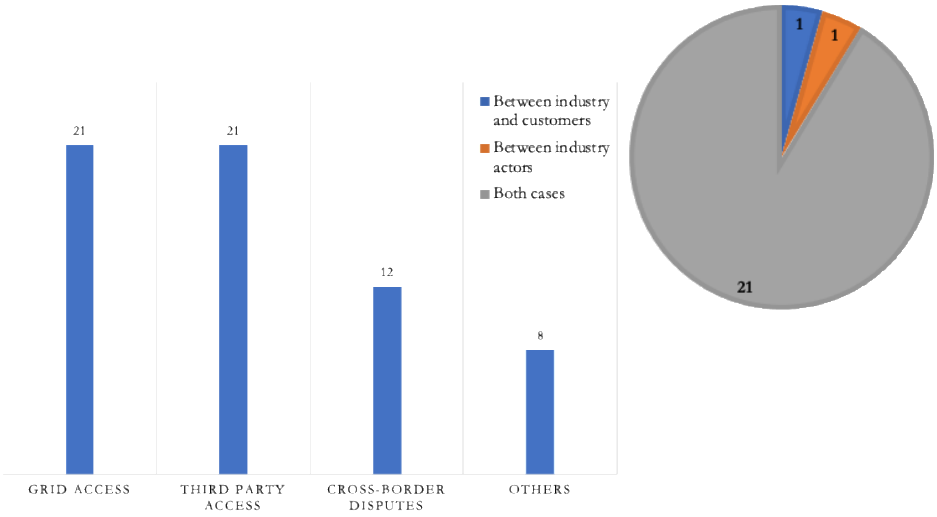

Figure 16. *NRAs competence in dispute settlement & main topics settled by NRAs in the context of dispute settlements*

3.3.7. Unbundling

As energy regulators, all the NRAs in the Mediterranean region have a role with respect to utility unbundling. In general, NRAs have a mandate to issue guidelines and a set of rules for accounting unbundling, compliance, reporting, and cost allocation, as described in the figure below.

For the MEDREG EU members such as CRE and RAE, the regulators have the responsibility to issue certification for the TSO once it complies with all the requirements.

Compared to the previous edition, in Morocco, ANRE is involved in accounting unbundling. Additionally, by law, the public utility submits its separate accounts for approval to ANRE.

On the other hand, in Lebanon, it is foreseen that as per law 462/2002, principles of the unbundling are determined pursuant to decrees taken in the council of ministers upon the minister's proposal.

ARH in Algeria is an important player in the separation of activities and must ensure the competitive and transparent operation of the market. However, ARH needs to complete some other standards to establish guidelines on how separate accounts should be drawn up for unbundled entities. In addition,

through the tariff and cost equalisation fund that ARH manages, the regulator draws up guidelines for compliance review and reporting obligations regarding the unbundling process.

The figure below provides the main topics settled by the NRAs in the context of unbundling. There are no major changes from the 2022 results, only the addition of North Macedonia.

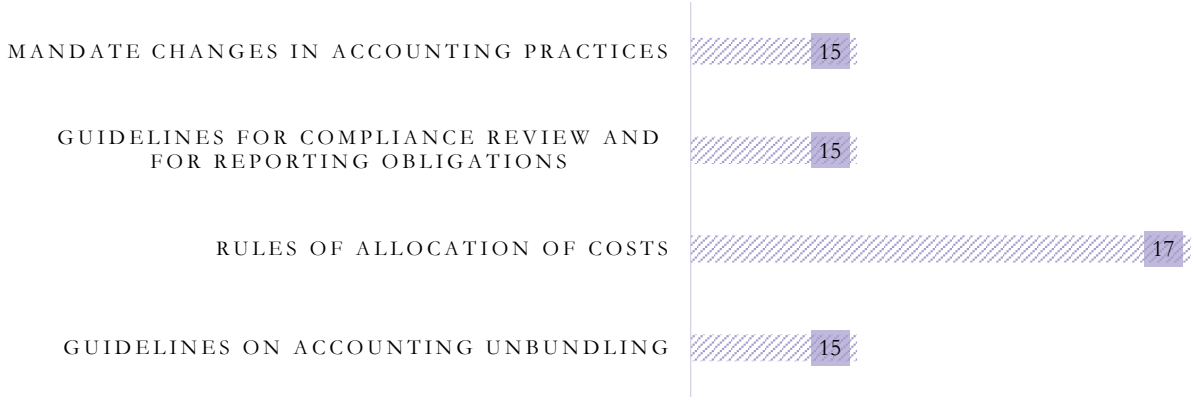

Figure 17. *Main topics settled by NRAs in the context of unbundling*

3.3.8. Technical Competencies

The figure below summarises the main technical competencies of the NRAs in the Mediterranean region; most regulators are involved in all technical rules, grid codes, and grid congestion management standards and quality of service rules.

Compared to 2022, more NRAs are also involved in energy efficiency measures, the development of RES, and setting incentive regulations.

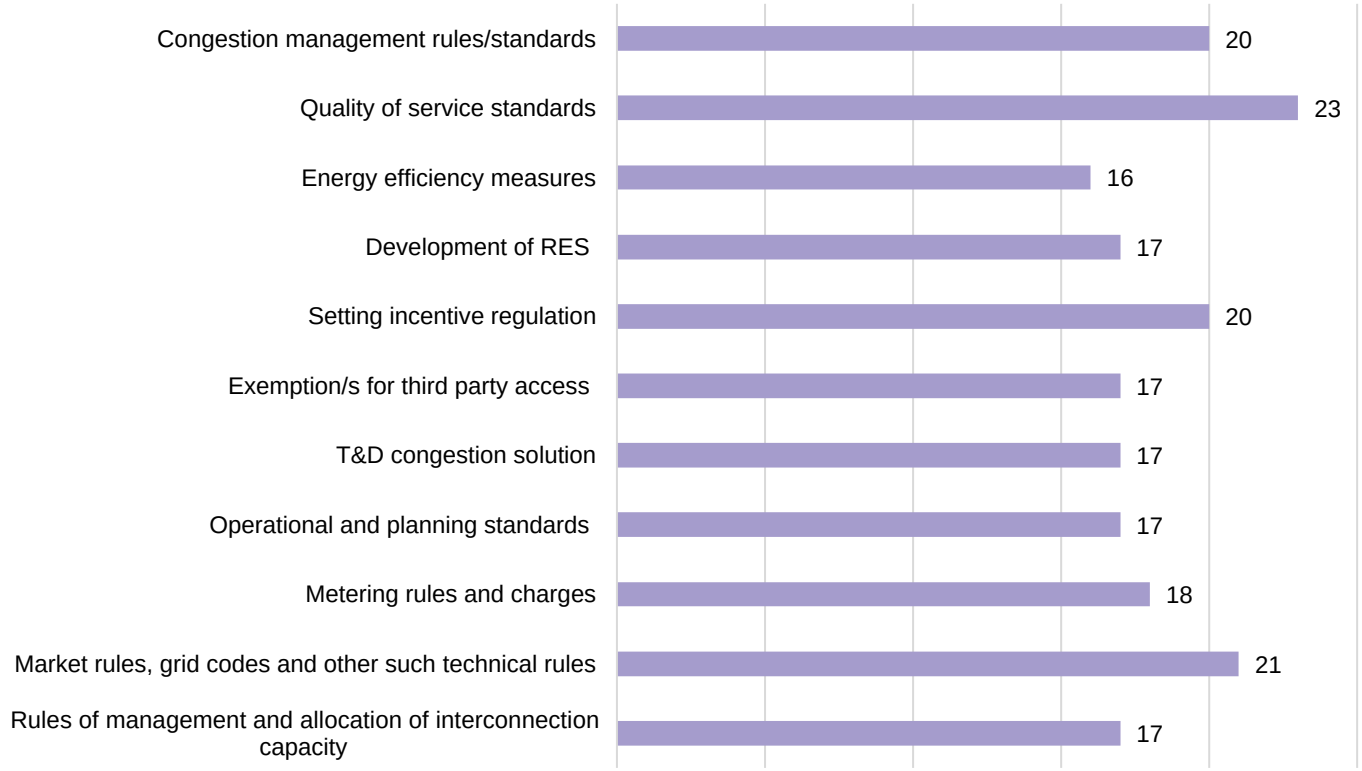

Figure 18. *NRAs technical competencies*

Infrastructure development planning involves different roles for NRAs in investment planning and cost recovery at national and regional levels. This variation is often due to the collaborative nature of these tasks with relevant ministries and national governments, which is shaped by each country's legislative framework.

Since the 2022 edition, North Macedonia has been included in the analysis, with ERC responsible for approving the development plan. The figure below provides an overview of the regulatory authorities' roles in investment planning and cost recovery, both nationally and regionally.

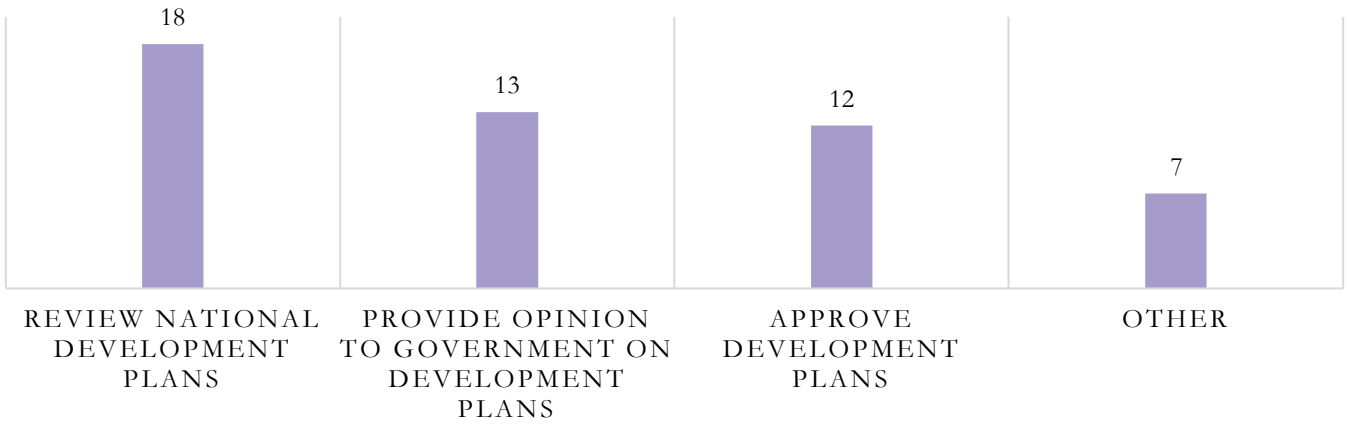

Figure 19. *Powers on Infrastructure Planning and Cost Recovery*

3.3.9. Consumer Protection

Apart from ARH, which does not regulate gas distribution and which consumer protection is not included within the regulator's competencies, all Mediterranean NRAs are responsible for customer protection in their regulated sectors, including North Macedonia.
Although the level of responsibility differs from country to country, overall, as represented by the figure below.

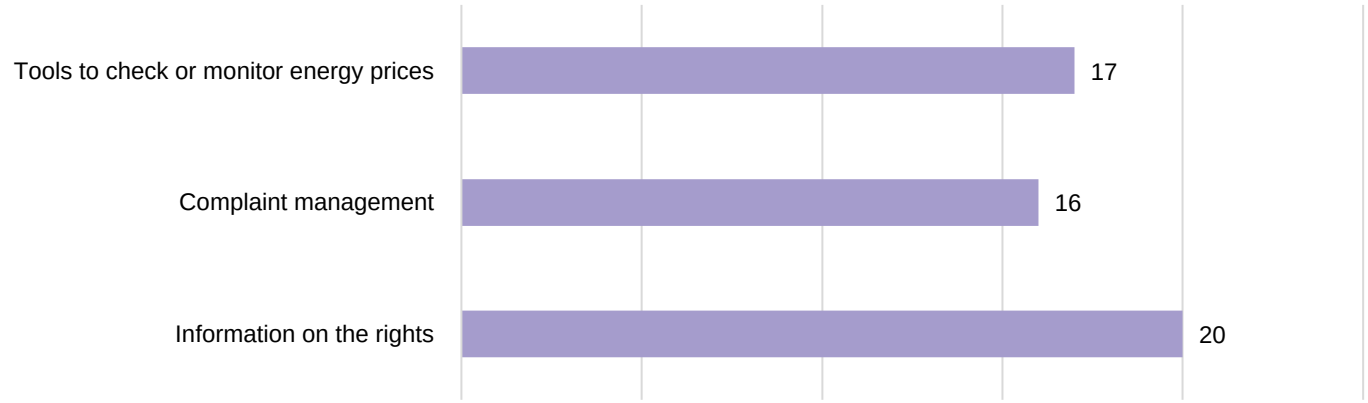

Figure 20. *NRAs competencies to support energy consumers*

When it comes to vulnerable consumers, half of the NRAs are directly involved in addressing their needs, while others do not intervene to support them, as they are mainly dealt with by Ministries. Such division is described in the figure below. In the case of ERC, the NRA addresses the needs of vulnerable consumers in cooperation with the relevant ministry, consumer protection agency, and ombudsman.

Eight NRAs reported that they merely implement government policies. In contrast, four NRAs indicated that they define the policies for addressing vulnerable customers' needs, and six NRAs set prices for vulnerable customers.

The figure below summarises the NRA's measures to address vulnerable consumers' needs.

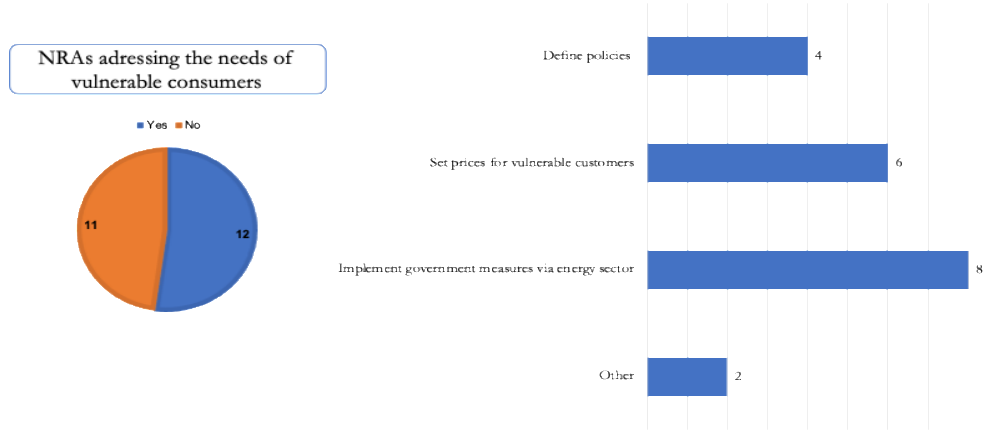

Figure 21. *NRAs measures applied to address vulnerable consumers' needs*

3.4. Internal Organisation

All NRAs have the authority to decide on their internal organisation. However, in some cases, the organisational structure is either defined by law, as with CREG or requires ministry approval, as with ERC, where the organisation must be approved by the Ministry of Information Society and Administration.

Similarly, NRAs have autonomy over their human resources policies, including hiring, firing, and staff allocation. In North Macedonia, hiring criteria are outlined in the Law for Civil Servants and an internal act approved by the Ministry of Information Society and Administration.

Additionally, 16 regulators use specific hiring criteria, such as central exams, assessment by an independent panel, role-specific selection criteria, interviews, and public notices.

In 16 NRAs, the regulatory board has final decision-making authority for selecting and appointing staff. In others, this authority lies with the Chairman or CEO. The figure below provides an overview of NRAs where the regulatory board holds this authority.

In 14 out of 24 NRAs, the regulatory board also holds authority over staff removal, penalties, and incentives, subject to State Budget limitations. In other NRAs, responsibility for staff incentives or penalties rests with the Chairman, Director, or internal bylaws.

Regarding staff status, 17 of 24 NRAs employ staff under terms similar to national civil servants. In some NRAs, staff terms are governed by general labour regulations or specific rules unique to the regulator. A few NRAs employ a mix of civil servants and external contractors. The figure below outlines the percentage of NRAs where employee terms and conditions align with those of national civil servants.

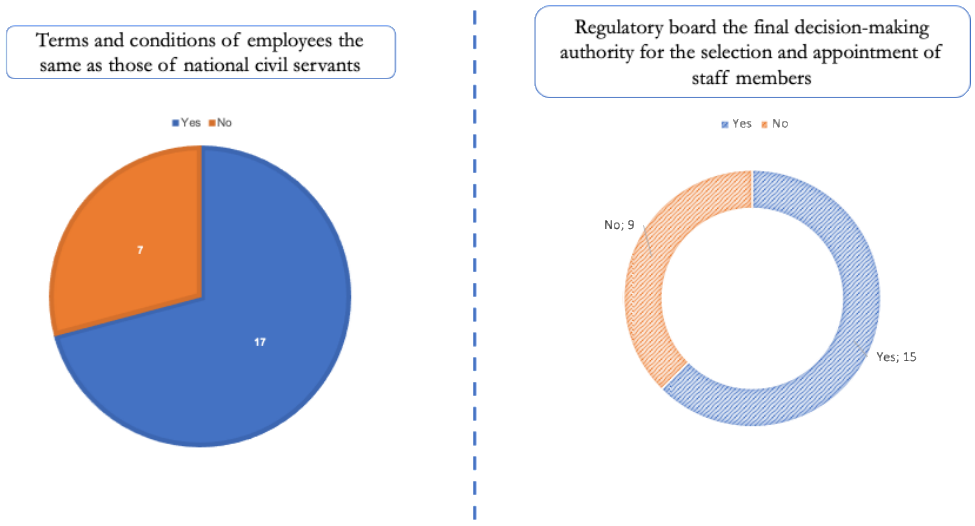

Figure 22. *NRAs internal organisation*

The number of staff members varies significantly between Mediterranean NRAs, with the largest counting more than 500 employees and the smallest having a staff of 14 people. An overview of the number of staff employed by Mediterranean NRAs is given in Figure 22. In some cases, the data have not been updated since 2022.

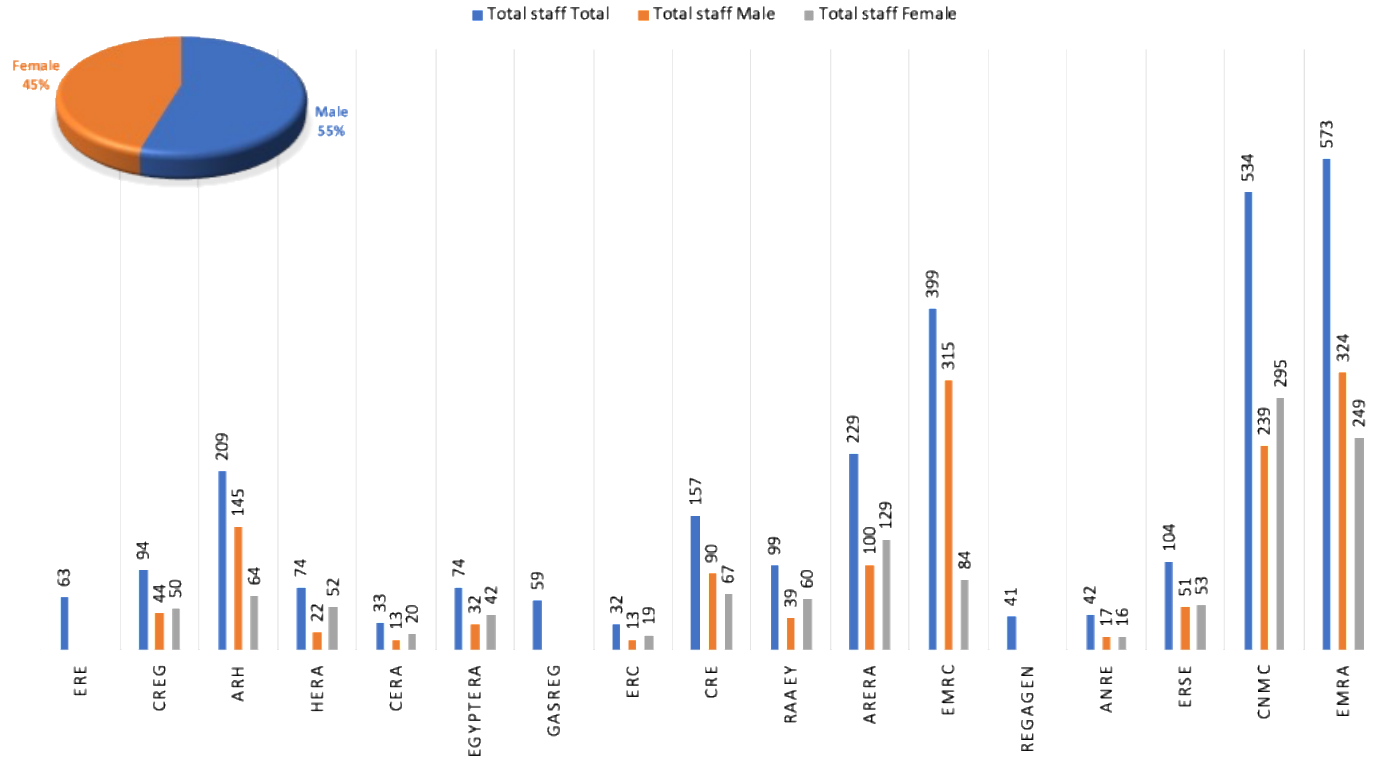

Figure 23. *Number of staff members*

It is also important to highlight that women play a significant role in Mediterranean energy regulation, representing almost half of the total staff of the NRAs in the region. Furthermore, the role of women is also notable at the top management level (directors and higher) of the NRAs in the Mediterranean region, as shown in the figure below:

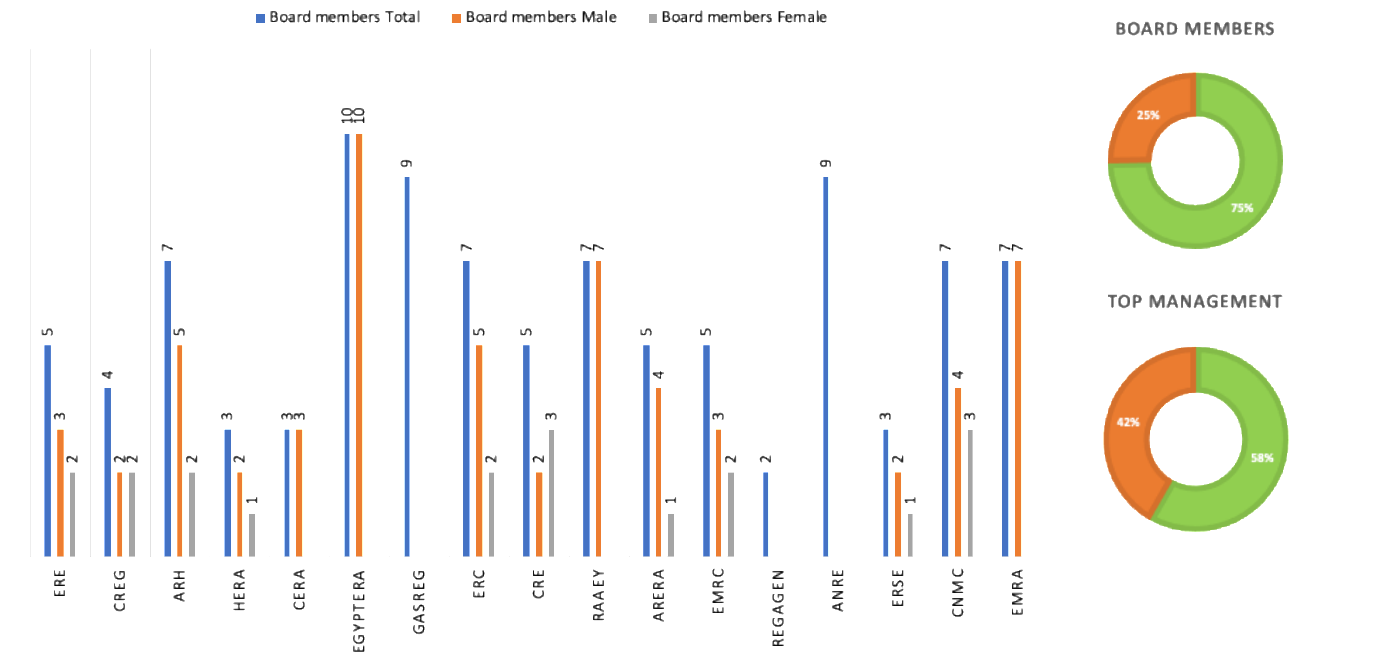

Figure 24. *Number of staff members*

In 19 NRAs, there is a binding code of ethics that all staff must follow, and only two NRAs mentioned that they do not have a sufficient budget to fulfil their mission as established by law.

The budget of Mediterranean regulators varies significantly from country to country, with the minimum being less than 1 million euros and the maximum being almost 77 million euros, with an average of 66 million euros.

On average, 52% of the NRAs' budget is dedicated to staff remuneration. Once again, a notable spread is identified, with 16% to 78% of the budget dedicated to salaries.

3.5. Enforcement

An overwhelming majority of member regulators, 21 out of 24, have the power to sanction sector participants when necessary. Only REGAGEN (Montenegro) and PERC (Palestine) do not have such *power*. Meanwhile, 18 out of 24 regulators have the authority to expose non-compliant operators, publishing comparative reports in cases of demonstrated insufficient performance.

However, when violations occur, not all NRAs can revise tariffs or reduce rates of return on non-compliant operators. Such an option is only available to 13 regulators. Still, several other enforcement mechanisms are in place to sanction market operators. The most commonly used are, for instance:

- Temporary prohibition of professional activities in 15 cases.
- Financial penalties, sanctions, and compensations are applied in 13 cases.
- Temporary prohibition of network access in only 6 cases.

It should be noted that for Lebanon, all mechanisms are available but need to be specified in secondary law.

Enforcement is also ensured by the voting procedure in the regulators' board, which is fundamental to avoid deadlock in regulatory board decisions. In general, most NRAs foresee procedures to keep the decision-making process effective, for instance, with an odd number of commissioners with a majority vote where abstention is not possible, or casting, preponderant, or veto vote by the Chairman in case of a tie vote or a case to be brought before an arbitrator appointed by the board members.

3.6. Transparency and Accountability

All MEDREG NRAs publish information on their functioning (missions, duties, organisation chart, and reports) and make it available to external stakeholders via websites or reports.
Except for EMRC and EMRA, all NRAs publish all decisions of the regulator and make them available to all stakeholders while protecting commercially sensitive information). However, information on various regulatory issues and practices, such as licensing, tariffs, and market monitoring data (except confidential data), can be found on the regulator's website. Still, not all information is available in English, and some NRAs continue not to have an English version of their website.
Mediterranean NRAs consult stakeholders on draft regulations before making any final decisions. The scope of regulatory issues under consultation varies from country to country, but the systematic use of consultation is evident. Consultation is a valuable tool that allows for evidence-based regulation and fruitful stakeholder engagement. As reported in the figure below, the consultation process is applied through several modalities, with a clear preference for written consultation and public hearings.

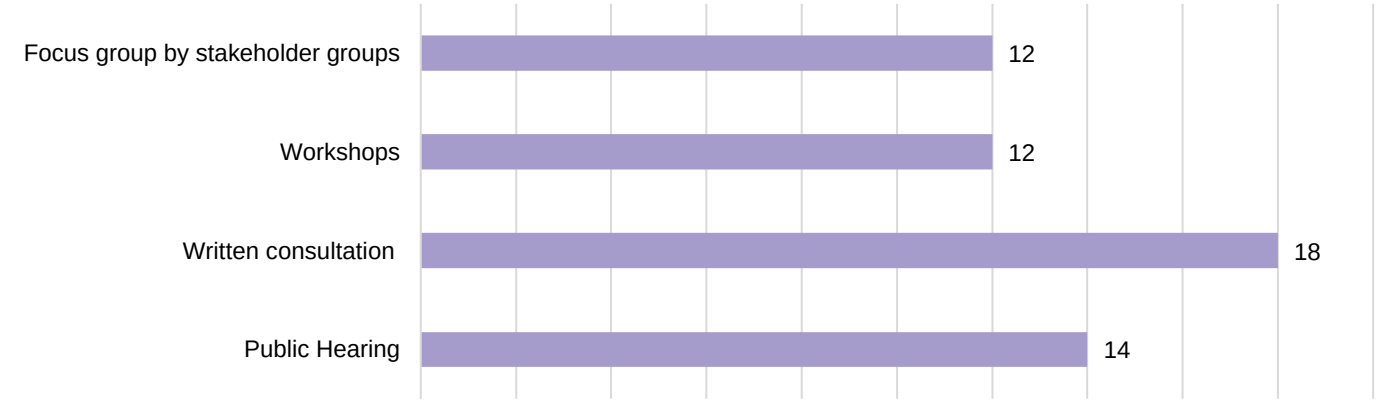

Figure 25. *Consultation tools applied by Mediterranean NRAs*

Finally, accountability processes are investigated, as NRAs are public bodies that may be invited to report on their main activities and results, providing information on how they have fulfilled their mission. In this regard, the main instrument used by all Mediterranean regulators is the issuance of an Annual Report, where all activities and regulatory operations are detailed, giving external stakeholders the chance to be informed and evaluate the work done by the regulator.

All NRAs have reporting obligations to other public bodies such as the Government, the Ministry, or the Parliament. Depending on national legislation, some NRAs are also required to appear annually before a parliamentary committee or other Government body to ensure compliance with their reporting procedures. Excluding PERC (Palestine), all information reported by other NRAs is subject to rules protecting confidential information, as indicated by the legislation.

Finally, two additional elements should be considered when evaluating NRAs' accountability. In particular, the voting procedures of the regulatory board are defined by each regulator and usually foresee quorum and majority or unanimity voting criteria. An additional point relates to the existence of a communication strategy available to all Mediterranean regulators.

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