

## **Remarks of Brcko Supervisor Roderick Moore**

- I am pleased to be here today to share with you some good news the long-standing issue of electricity supply for Brcko is close to resolution.
- I am happy to announce that the conditions have been created for the BD Public Utilility Company to conclude a 12-month, renewable contract for electricity supply to Brcko residents with whichever Elektroprivreda offers the most favorable terms.
- Most importantly, we believe this outcome will benefit the citizens of Brcko District by creating the conditions for safe, sustainable and affordable electricity supply, under terms that

are transparent and fair.

- And, for the first time since the establishment of the Brcko District, its electricity market will be supervised by an energy regulator – the State Electricity Regulatory Commission – a development that will ensure that the interests of Brcko's citizens are protected to the same degree as the rights of citizens elsewhere in Bosnia and Herzegovina.
- This progress that has been made is the result of months of talks involving the OHR and the European Union, as well as our local partners.
- Specifically, the OHR, EU, and its local partners have agreed that;
  - The RS will adopt and put into force legislation that will complete the legislative framework for ensuring safe and sustainable electricity supply to the Brcko District, under identical conditions and prices available to other tariff customers in the same category in the RS. We note that the RS Law as amended on 21 December is in line with the State Law on Transmission as amended in September 2009. Such legislation is already in force in the Federation.
  - The State Electricity Regulatory Commission will assume its legal responsibility of regulatory oversight over the electricity market of Brcko District, until now the only area of BiH that was not under the jurisdiction of a regulator.
  - The European Union will conduct a comprehensive review of BiH's entire electricity market in 2011, including here in BD, in order to ensure that the country's electricity legislation and other practices are in full consonance with all relevant EU treaties and directives.
- Unfortunately, I cannot announce today that all of the terms of this agreement have been completed. The Republika Srpska has not yet fulfilled its two agreed obligations. First, it must put its new electricity law into force. Secondly, it must unblock the work of the SERC and allow that body to carry out its legal responsibilities.
- Although these obligations have not yet been fulfilled, senior officials of the RS have repeatedly
  assured the OHR and EU that they will be completed in short order. We look to the RS
  leadership to honor these assurances quickly.
- When the RS obligations are completed, this agreement will mark a significant and positive step forward in terms of the Entities fulfilling their obligations to the Brcko District under the terms of the Brcko Final Award.
- Since March 2009, the PIC has been publicly calling attention to the Brcko electricity issue and urging the entities, particularly the RS, to fulfill their obligations in this regard.
- This issue has also been raised by the PIC in connection with BiH's obligations under the "5+2" objectives and conditions for the transition of OHR.
- In this context, I expect that the PIC SB, at its next meeting at the end of March, will review the status of implementation of this agreement to determine whether or not it fulfills the "5+2" objective related to Brcko. I would therefore strongly urge all parties to this agreement to ensure its full and consistent implementation.
- In closing, I would like to thank in particular my partners from the European Union who so constructively helped achieve the progress we are announcing today. And, above all, I would like to express my deepest appreciation to our outstanding team at OHR, whose expertise, patience, and persistence made this deal possible.