

## On the Process of Georgia's Energy Community Membership Accession

From 2010 Georgia started negotiations with European Union to join the Energy Community (EC). In January 2013, Georgian government formally applied for full membership. In February 2014, the EU Energy Commissioner Guenther Oettinger said that Georgia would become the EC member until the end of October 2014, before the commission's term would expire. Several rounds of negotiations were held and important compromises were achieved in sensitive issues for Georgia. The Ministry of Energy announced several times that the negotiations are in progress, and practically completed, but in the end it turned out that the accession process is delayed. The negotiation process is suspended since spring 2014 when the bilateral consultative meetings stopped. The government has neither explained the reasons for delaying, nor mentioned if there were any difficulties.

This causes serious concern since the unjustified delays can cause the damage to the whole process of European integration and realization of benefits and national interests related to this process. In particular it should be noted that:

- With the signing of Association Agreement, Georgia already took the responsibility of implementing European energy legislation package. Negotiations in EC format determines only the terms and conditions of implementation, even if EC negotiations are unsuccessful, according to the Association Agreement, directives should be implemented, but in this case, terms and conditions may be more strict.
- The laws and systems, supported by EC membership creates a transparent and stable environment which is a prerequisite for attracting qualified strategic investors and increased investments. It is also an important condition for transit function of the country and implementing of strategic energy transit projects of European interest.
- EC membership is an important step towards political association it shows the maturity of political choice and should leads to a higher level of political support from EU which is of paramount importance for the country's security.
- Introduction of European Energy legislation is a necessary step by itself since it involves creating market mechanisms, strengthening transparency and improving the legislative environment which means the establishment of effective systems and institutional and professional development. It also means gradual abolishing of the system of nontransparent memorandums, market monopolies, establishment of transparent market principles based on fair competition and professional environment which plays eliminating the opportunities for corruption. EC membership will also entail technical and financial support in implementing transposing and implementing the EU energy legislation.

- EC membership requires establishment of energy efficiency and development of renewable energy sources, systems for competition, environmental protection, statistics, etc. which means the technological and institutional development of the country and society, and delaying these processes is unjustifiable. it also opens a door for the development of renewable energy potential through joint projects.
- EC is a platform for energy cooperation with the EU and the forum where Georgia can participate and raise the issues together with other countries. In addition, despite the absence of direct energy connection with EU countries, it is possible to explore the possibility of mutual assistance in emergency situations.
- According to the National Security Concept, European integration and therefore harmonization in energy field as well as implementation of transit function are Georgia's national interests. Therefore Georgian government should strive to implement this interest by all available means including EC membership.
- After the EC membership application and four years of negotiations, unjustified restraint and delaying of the process may signify immaturity of internal political process or possible change in foreign policy direction which compromises an image of Georgia, as a reliable partner and can hinder the process of European integration as well as implementation of strategic transit projects of utmost importance for the country. The time of delay can be used by opposers to Georgia's European integration for creation of additional barriers and difficulties<sup>i</sup>.

The above arguments indicate that the delay in EC membership negotiations can have a negative impact on country's pro-western development and may become equivalent of rejecting the process of association with EU. In the situation of rejecting the benefits of membership and increasing the threats, it should be at least clear, whether there are sufficient arguments for delay.

This issue requires higher attention and involvement from parliament and the civil society.

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<sup>i</sup> *In 2013 Russia offered Moldova to reduce the natural gas prices by one third and additional economic aid if Moldova restrained from joining the Energy Community, Moldova refused the proposal, which also shows the importance of this issue.*