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Honorable Excellency Ambassador Moon, members of the Federation Parliament Women's Caucus, dear entrepreneurs and representatives of the civil sector, I cordially greet you.

I am Elma Haverić and I work as a consultant for the USAID projects Regulatory and Energy Assistance to Bosnia and Herzegovina – REAP and Enterprise Energy Efficiency (3E).

The primary objective of USAID REAP is to help in the integration of BiH electricity and gas markets in the regional and EU markets. Due to limited time today, I will only talk about one of the REAP project activities in the previous period – assisting the FBiH Ministry of Energy, Mining and Industry on the development of the Electricity Law, which is currently in the parliamentary procedure. This is a very important law because many of the provisions of the EU Electricity Directive should be incorporated into it in order to be harmonized with the Treaty establishing the Energy Community, which BiH signed.

Among other things, the proposed law includes the specific provisions that will allow for the opening of the electricity competitive market on 1 January 2015 for all customers; and as of that day, all customers will have the right to choose their supplier. An open electricity market will demand the price of electricity, which will reflect the real costs of its generation, which will be harmonized with the European concept. The FBiH Government will have to protect the most vulnerable categories, and women know exactly what and how vulnerable categories survive in society. Because of that, only you, the caucus members of the Federation Parliament will play a key role in demanding that the Government develop a vulnerable customers program.

Although BiH and its entities have made some progress in meeting the prerequisites for the smooth opening and functioning of the electricity market, much more remains to be done. One of these



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preconditions is a good law on electricity, and that will be your job. I take this opportunity to tell you that if you have any dilemma regarding certain provisions of the law when it comes before you, please contact our project REAP. It can give impartial and expert advice that will help you to join in tomorrow's debate about the law and as professionals as you do your work in Parliament.

I wish you also be noted that with the signing of the Treaty establishing the Energy Community, BiH and its entities committed themselves to transpose the key directives in all areas of the energy sector in its legislation. Some of them are: Directive for gas, electricity, energy efficiency, oil, security of supply, environmental protection and others. I suggest that you ask questions to the relevant ministries to get an answer on how far BiH and its entities have come in fulfilling these obligations, because the implementation of the Directive in the field of energy is one of the key elements of assessment of BiH's progress in the process of European integration and thus whether it is ready to sign The Stabilization and Association Agreement to get the status of candidate for EU membership. The implementation of these directives is not only a question of joining the EU, but also to create conditions that will make the energy sector in BiH attractive to serious investors.

I take this opportunity to mention the other USAID project I work for, Energy Efficiency Economy (3E), which is helping BiH to promote energy efficiency through technology development and implementation of energy efficiency pilot projects in buildings. The goal is to spread awareness of the possibilities for energy savings in BiH. If you require advice in energy efficiency, feel free to contact our project, USAID 3E.

The fact sheets for both projects, which contain our contacts, can be found at...

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