

**BiH REAP PLAN FOR TRAINING OF FBiH PARLIAMENTARIANS
(May 15, 2008)**

Background. REAP will train parliamentarians on the energy sector as part of the following results framework:

TO 3 Broader Public Understanding of Specific Energy Sector Issues and Challenges

KRA 2.2. Parliamentarians are acquainted with energy reform

Objective: Decision makers are prepared to promote energy reform for market integration and liberalization.

Milestones:

- Training/presentation of the sector and discussions with decision makers responsible for bringing new laws into parliamentary procedures and procedural implementation;
- Parliamentarians gain sufficient knowledge and information about energy reform and sector players (their role, goals and authorities);
- Parliamentarians are aware of the duties that BiH has in sector reform and are prepared to bring better decisions and laws in this direction;
- Parliamentarians are interested in promoting energy reform for market integration and liberalization through proactive support and positive decision-making in the entity's institutions;
- Parliamentarians are familiar with REAP goals/activities in energy reform (Internal action plan, gas issue, unbundling, market design).

Activity: Training/presentation of the sector for parliamentarians of FBiH. The training will be organized for the second part of June or beginning of July 2008, in cooperation with the parliamentary Committee for energy.

Proposed Training Plan. The FBiH Parliamentary Committee for Energy currently plans to deliver the training/presentations in the second half of June. REAP will provide technical assistance to the committee to support the organizational process, communication with sector specialists (presenters), presentation preparation, and assistance and advice on the media coverage of the event.

Core messages. REAP will make a strong effort to convey the following messages via the sector expert presentations:

Internal Action Plan (IAP)

- o Using the Road Map as the basis for the IAP is an obligation of the Energy Treaty that was signed by the EU and West Balkan Countries.
- o The IAP defines the "What, Who, When and How" of meeting Road Map goals.
- o The IAP updates the former Action Plan.
- o Consensus on the IAP will enable the resumption of sector reform.

- Parliamentary support of the IAP is needed for it to be accepted and implemented.

Unbundling EPs

- Restructuring the sector creates a transparent and attractive sector for further investment.
- Sector restructuring benefits local consumers.
- The Energy Treaty requires sector restructuring to resume.
- Parliamentary support the resumption of restructuring of the sector is needed.

Gas issue

- Gas Sector must be better structured to meet international obligation, to benefit local consumers, and to make the sector attractive to foreign investors.
- The State and FBiH gas laws should be created and enacted.
- Political consensus on common/state competences over the gas sector.
- Parliamentarians should support gas sector structuring.

Market design

- BiH is to create a market design for the benefit of BiH.
- The market design depends on the Government's energy policy.
- Market design is matter of political consensus and decision.
- Parliamentarians' support is needed for the market design.

Presentations. We anticipate the following presentations:

- MOFTER: Sector reform, BiH's membership in the Energy Community, obligations from the Treaty, how far BiH has come.
- FERC, SERC, ISO, TRANCO: The roles, goals, and competencies of various sector participants.
- REAP: Introduction of Internal Action Plan.
- FBiH Parliamentary Committee for Energy: Chronology of parliamentary decisions in the sector and what lies ahead for the Parliament.

Next steps.

- Meeting with Mr. Mirza Kusljagic, president of the Committee for Energy of the FBiH Parliament to discuss the idea of a training. [DONE, he is on board with the training idea].
- Discussion between REAP and the USAID mission on the final design of the training/presentation (role and visibility of the REAP, organizational issues, responsibility of the Parliamentarian Committee for Energy, presenters' messages).
- Series of meetings with Mr. Mirza Kusljagic and the Committee for Energy to discuss all organizational issues (especially the role of the Ministry in the training) and to create the timeline and task plan for arranging the training.
- Series of the meetings with the training's presenters from different organizations to help them make better presentations and insure their inclusion of REAP's messages.
- Support the Committee to inform and prepare media outlets to cover the event.

Principal counterparts:

- Mirza Kusljagic, president, and other members of FBiH Parliament's Committee for Energy
- MOFTER (Mubera Bicakcic, Bosko Kenjic)
- SERC (three commissioners; Edin Zametica)
- FERC (three commissioners)
- ISO (Mirsad Sabanovic, Omer Hadzic)
- TRANSCO (Dusan Mijatovic)
- Administrative services of Parliament of FBiH
- Other USAID project on democratization of BiH and parliament's institutions work.

Challenges/obstacles: Decisions made in the Parliament and adopted by the all levels of Government of BiH are often driven by private and political party interests that are not in harmony with European standards. Decisions often do not take into account the principles of good governance. Educational activities with the goal of working towards well informed and lobbied parliamentarians, government officials, political leaders and involved representatives of the International Community in BiH can act as a foundation to overcome such circumstances. The parliaments should understand the value of REAP activities and the rationale for why they are being conducted in accordance with EU requirements with the goal to enhance BiH's ability to move forward towards the EU.

REAP has designed the training to include presenters from those organizations that have been formed since the energy sector reform efforts began. Further, last year, the Ministry of Energy presented its activities at the FBiH Parliament, and this year the Ministry has been before Parliament often in connection with presenting its electricity capacity development plans for the future. To that end, the Committee on energy, as the organizer, should invite the Ministry to the training and explain as necessary why the Ministry is not invited to be active participants/presenters.

The second challenge is to make sure all presenters are at the meeting, especially the State bodies, MOFTER, SERC and ISO. REAP thinks that the planning of similar sessions for all three of the legislative bodies will alleviate this concern.

The final challenge lies with the presentations on the roles, goals, and competencies of various sector participants. These presentations should be short, concise and written in a simple manner, but still contain the REAP messages to the Parliamentarians. To address this concern, Ms. Wilson, Mr. Markovic and the public outreach team will actively help prepare/edit these presentations.