

SEE: Energy Community Secretariat helps settling the dispute between ČEZ and Albania - Statement by Deputy Director Dirk Buschle

Categories : [SEE Energy News](#)

Date : June 27, 2014

"On behalf of the Energy Community Secretariat and in my personal capacity as mediator of the negotiations between Albania and ČEZ, I highly welcome the Settlement Agreement between both parties signed yesterday. I am deeply convinced that entering into and concluding these negotiations are in the best interest of Albania and its electricity consumers".

"Years of neglecting the energy sector left the Albanian energy sector in a very bad shape, with an unsustainably high share of electricity not paid for, the State-owned companies in serious financial difficulties, and investor confidence alarmingly low. In this situation, settling the dispute with ČEZ was the only sensible move. Costly arbitration proceedings with an unclear outcome would have created a long period of uncertainty and instability. By preventing the urgently needed deep reforms, they would have taken the whole energy sector hostage and created liabilities far higher than what was settled by yesterday's agreement".

"From many talks during the recent months, I know that private investors and public institutions alike would have been more than reluctant to support a country with these open legal and financial liabilities. Stability and the good reputation of Albania's energy sector needed to be restored as an indispensable first step to turn the sector around. For this reason, the Energy Community so actively supported the negotiations during the last six months. It will continue to do so during the upcoming reforms which can now begin. I am very pleased that in concluding these negotiations the Albanian Government set the long-term interests of the country above the short-term desire for legal confrontation."

Source; Energy Community