

## Energy regulators play key role in protecting energy market trading from abuse

### Market integrity through regulatory oversight

The (2011) REMIT<sup>1</sup> regulation creates an EU-wide framework to protect energy trading against market manipulation and insider dealing. Regulatory oversight at EU level is undertaken by the Agency for the Cooperation of Energy Regulators (ACER) and at national level by National Regulatory Authorities (NRAs) for energy.

2015 has been a key year for national implementation of REMIT, with ACER and NRAs now armed with the necessary oversight powers and extensive data to allow market abuse and insider trading to be detected and deterred.

**CEER Vice President, Annegret Groebel** explains:

*“For energy regulators, transparency and integrity are essential to ensure that there are fully functioning wholesale energy markets. Regulators and ACER are implementing REMIT effectively at both national level and European level”.*

Obligations to report to ACER commenced in October 2015. NRAs helped in registering some 4,000 market participants before their formal obligation to report started. ACER will share national data with relevant NRAs, under strict security arrangements. Preparations are also underway for the next phase of reporting which starts in April 2016.

### REMIT implementation through national enforcement and EU cooperation

Member States stand ready to foster transparency and integrity of the markets through sanctioning infringements of the REMIT rules. Several energy NRAs have full responsibility at national level to investigate suspected breaches of REMIT. Some NRAs investigate in collaboration with other authorities, including their national financial and competition authorities.

Most NRAs also have direct sanctioning powers, including the application of penalties. In several countries, decisions about imposing sanctions are taken in collaboration with other national authorities, or by passing the case to a specific judicial authority. This is particularly the case in respect of criminal sanctions.

Cooperation has been firmly established at different levels. At national level, energy regulators work with financial and competition authorities. Through the Council of European Energy Regulators (CEER<sup>2</sup>), NRAs meet and share best practices. NRAs also work together with ACER on monitoring markets matters and have established ways of working on cross border cases. Memoranda of understanding have been concluded within, and between, organised market places thereby forming regions to enhance the effectiveness of the implementation of REMIT.

The next steps are to monitor and analyse the data collected since 7 October 2015 and to prepare for the new phase of reporting in April 2016<sup>3</sup>.

Brussels, 16 December 2015

**Ends (see Notes for Editors)**

**Notes for Editors:**

1. The Regulation 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency (REMIT) entered into force in December 2011. Directly applicable in Member States, REMIT has a lagged timeline for reporting obligations, and for investigatory powers and penalties for infringements of REMIT to be implemented in the Member States.
2. The Council of European Energy Regulatory (CEER) is the voice of Europe's national energy regulators. Its members and observers are the independent statutory bodies responsible for energy regulation at national level. Visit [www.ceer.eu](http://www.ceer.eu). A not-for-profit association in Belgium, CEER brings together 33 national regulatory authorities (NRAs) from EU Member States, EFTA and EU accession countries including Contracting Party Members of the Energy Community Treaty.
3. From 7 April 2016, all market participants who contract for energy outside of organised market places, including bilateral contracts, need to start reporting all trades. In addition, information related to nominations, transportation contracts, LNG and storage facilities need to start reporting data, as set out in the Implementing Acts and further specified in reporting manuals issued by ACER. See the ACER REMIT portal for more information: [www.acer-remit.eu](http://www.acer-remit.eu)

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