



European Federation  
of Energy Traders  
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Amstelveenseweg 998  
1081 JS Amsterdam  
+31 20 520 7970  
secretariat@efet.org  
www.efet.org

Hungarian Energy and Public  
Utility Regulatory Authority  
Bajcsy-Zsilinszky út 52  
1054 Budapest  
Hungary

Via e-mail: [sandorb@mekh.hu](mailto:sandorb@mekh.hu); [kovacsk@mekh.hu](mailto:kovacsk@mekh.hu); [korosit@mekh.hu](mailto:korosit@mekh.hu); [nkeht@mekh.hu](mailto:nkeht@mekh.hu)

24 March 2017

**Subject: Proposal for a framework of a mutually recognised natural gas  
wholesale trading licence in the GRI SSE region**

Dear Sir or Madam,

EFET<sup>1</sup> appreciates the possibility to continue the dialogue on regional trading licences as we regard finding a workable solution in this regard as key to develop liquidity and competition in markets that too often are stiffened by limited participation.

In this regard we would like to stress that the framework of a mutually recognised natural gas wholesale trading licence for the GRI SSE region that you have shared with us does address a number of our concerns.

In particular, we note that the proposal has moved away from a mutually recognised licensing scheme to one based on establishing a harmonised set of minimum criteria associated with licensing and a mutually recognised trader registration process which could override the need for a licence. The proposal also includes a number of references to the need to minimise the reporting burden and not to duplicate data provision where this available under REMIT as well as some specific indications about how the minimum licence conditions should be satisfied.

<sup>1</sup> The European Federation of Energy Traders (EFET) promotes competition, transparency and open access in the European energy sector. We build trust in power and gas markets across Europe, so that they may underpin a sustainable and secure energy supply and a competitive economy. We currently represent more than 100 energy trading companies, active in over 27 European countries. For more information: [www.efet.org](http://www.efet.org).

Therefore, EFET would like to welcome the revised proposal and offer to work with you and other NRAs, via the GRI SSE Stakeholders Group in the region on implementing the proposal over the coming year.

In this sense, we would like to point out that different licencing application processes are only a part of entry barriers faced by shippers and that the smaller the market share of a shipper the higher the burden these barriers are. We therefore welcome this process as it includes the need to minimise duplication of data reporting (including REMIT-data). Moreover, we agree with the separation of retail and wholesale activities, since the former carries with it additional obligations that add to the cost of entering a new market, and we welcome the suggestion that NRAs should have a webpage providing all the necessary information (that is regularly updated) for market entrants to enter a market and comply with any obligations. Finally, we note that, unfortunately, the document does not mention minimum a lead-time between request for registration and activation, which we believe should not be longer than a few days.

We do understand that the exercise you have engaged in is not an easy one but having the GRI SSE wholeheartedly supporting this initiative gives us reasons to believe that progress can be achieved.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Davide Rubini', written in a cursive style.

Davide Rubini  
Vice-Chairman

EFET Task Force Central  
and South Eastern Europe Gas (TF CSEE-G)