



Energy Community in 2018

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➤ **State of implementation – where do we stand?**





- Six of the eight Contracting Parties have successfully completed the transposition of the Third Energy Package.
- Implementation of the Third Package, inc. strengthening of national authorities – energy regulators, energy agencies, competition and State aid authorities – and successful unbundling of transmission and distribution system operators, remains a challenge.
- Progress on cross-border cooperation and integration, including with neighbouring EU Member States, is not satisfactory.

Secretariat's Annual Implementation Report 2017

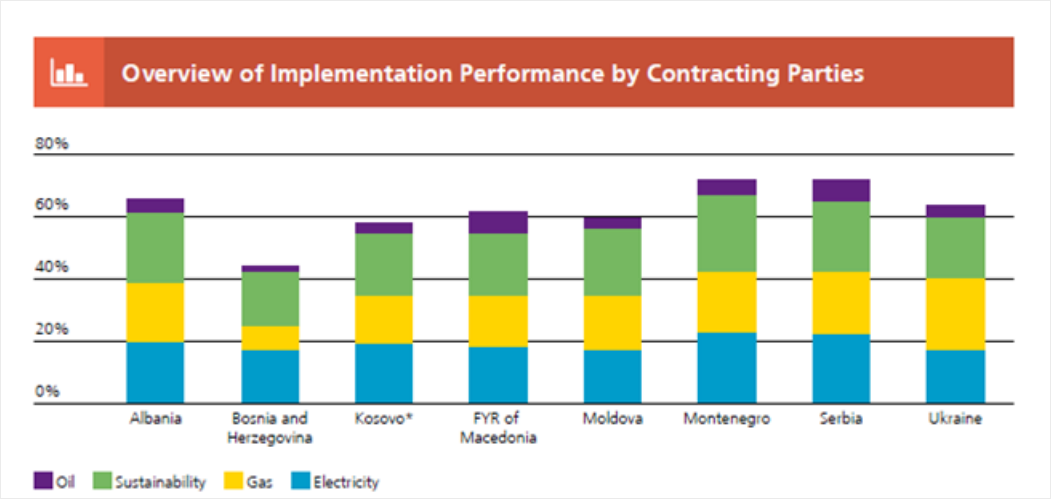
Key conclusions (2)



- 2017 report has an increased focus on sustainability of the energy sectors.
- All Contracting Parties achieved progress in the area of energy efficiency, but stronger energy efficiency measures must be implemented across sectors.
- Modest progress achieved on transposition and implementation of the Renewable Energy Directive.
- 5 Contracting Parties (Albania, Kosovo*, former Yugoslav Republic of Macedonia, Serbia and Ukraine) remain below their indicative trajectory to 2020; Bosnia and Herzegovina and Montenegro have met their respective targets due to the revision of biomass data.
- Initial progress with respect to Regulation on monitoring and reporting on greenhouse gas emissions is assessed.

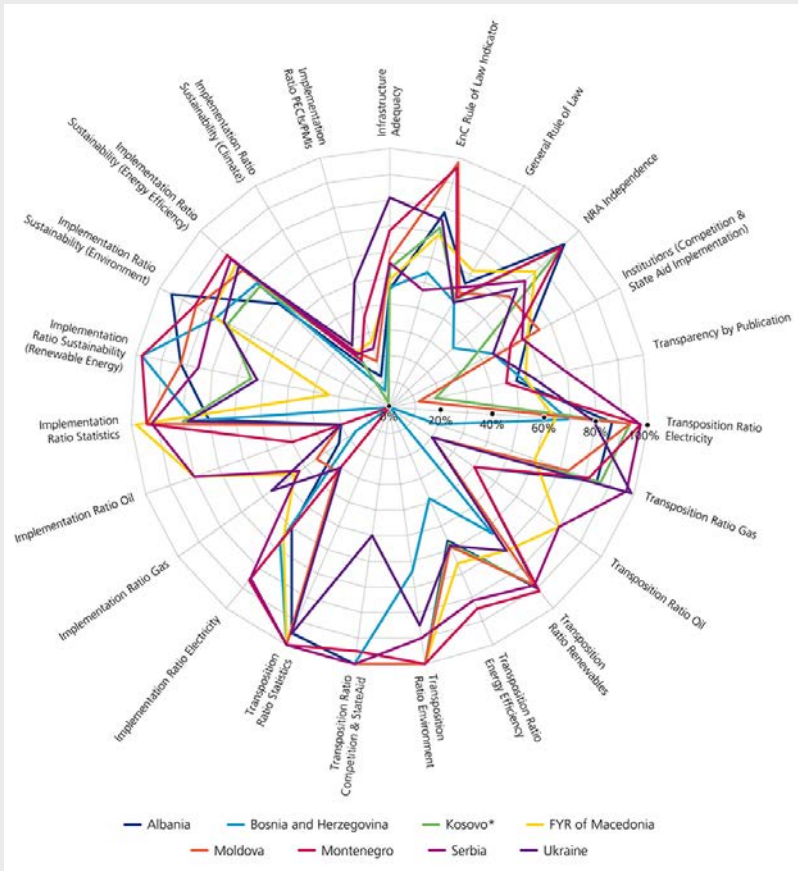
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Implementation Performance Overview



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Implementation Performance Radar Chart



➤ **Energy Community priorities for 2018**



- Implementation of the Third Energy Package (and transposition in fYR of Macedonia, BiH and GE)
 - Adoption of network codes/guidelines (technical rules enabling the market to work more efficiently)
 - Unbundle and certify gas and electricity transmission operators (MD, UA, BiH, fYR of Macedonia, KS, [RS], GE)
 - Unbundle electricity distribution system operators (AL, BiH, UA)
 - Complete secondary legislation
- Create an electricity trading region South East Europe – WB6 + EU neighbours and beyond (market coupling, power exchange development etc.)
- Create an electricity trading region between MD and UA
- Foster gas market liquidity via market integration with EU neighbouring markets
- Enable real term gas market opening in UA and RS by unbundling incumbents
- Increase transparency to promote trust in gas and electricity markets by implementing REMIT



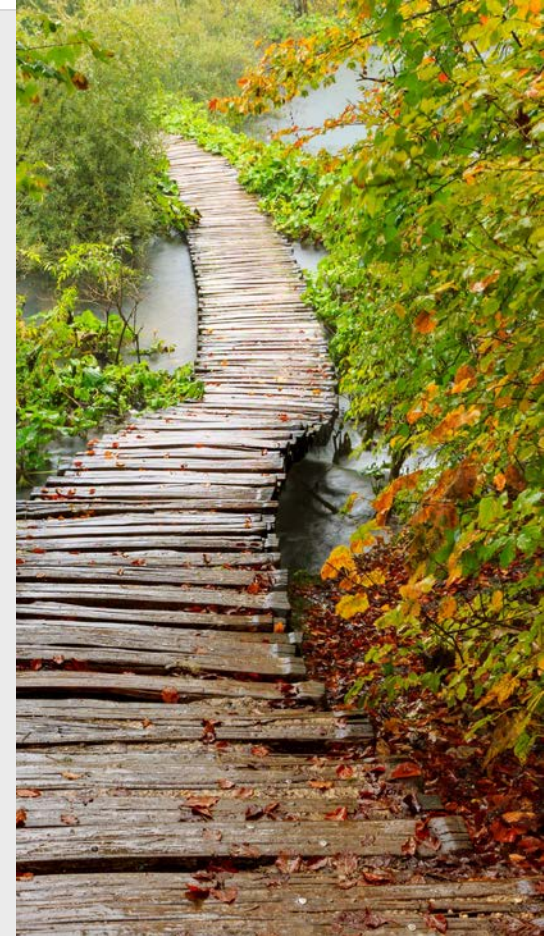
- Adoption of a new list of Projects of Energy Community Interest and of Mutual Interest (infrastructure projects in the area of gas, electricity and oil)
- Full transposition of Trans-European Energy Infrastructure Regulation

- Elaborate and agree on targets for renewable energy, energy efficiency and greenhouse gas emission reduction till 2030 in the context of the Paris Agreement on climate change
 - Non-binding targets will be set at regional level based on an EU-convergent methodology
- Start integrating energy and climate planning on national and regional level
- Continue implementing Recommendation on greenhouse gas Monitoring Mechanism Regulation (MMR)

- Transposition and implementation of the Energy Efficiency Directive
- Full implementation of Energy Performance of Buildings Directive (adoption of secondary legislation)
- Introduction of a competitive process for granting support to energy from renewable sources



- Contracting Parties to report on emissions of large combustion plants & cooperation between the Secretariat and the European Environmental agency will start in this respect
- Impact assessment of Fuel Quality Directive and Chapter II (best available techniques) and Chapter IV (waste incineration plants) of the Industrial Emissions Directive
- Monitoring of marine fuels and cooperation with European Commission and European Maritime Safety Agency





- Treaty amendments
- Implementation of regional initiatives like Western Balkans 6 and EU4Energy
- Adoption of measures under the Title III of the Treaty on licensing and regional cooperation in electricity emergency situations (to avoid unilateral export bans)
- Resolve regional disputes, in particular EMS (Serbia)/KOSTT (Kosovo), in the framework of the Energy Community

The background is a satellite-style image of the Earth, showing the continents of Europe and Africa. Overlaid on this image are numerous glowing blue lines that represent energy transmission or data networks. These lines are curved and interconnected, creating a complex web across the globe.

*Thank you
for your attention!*
Janez Kopač

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