

EU Support for Climate Action in IPA II Beneficiaries

TRATOLOW - Transition towards the low emissions and climate-resilient economy in the Western Balkans and Türkiye

Energy and Climate Technical Working Group – Carbon Pricing work stream

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What has been done so far

Regional Workshop on Carbon Pricing, May 2021

- ✓ Carbon pricing – current status and future plans on carbon pricing in Europe
- ✓ A carbon pricing design for the Energy Community
- ✓ Montenegro's ETS and Turkey's preparations for introduction of carbon pricing
- ✓ The EU ETS phase 4 – Free allocation and MRVA
- ✓ EU ETS MRVA Guidance

Study visit for Montenegro experts to Croatia, March 2022

- ✓ Learning from Experiences in Croatia (national implementation of EU ETS Regulation, ETS implementation requirements, how to support operators in early ETS stages)
- ✓ Visit and discuss with an operator HEP
- TRATOLOW National Training As-if verification of draft Monitoring Plans and annual emission report for submission in Montenegro ETS, December 2023



What has been done so far

Regional workshop on carbon pricing in Skopje, September 2022

- ✓ The regional approach to carbon pricing
- ✓ Introduction of a regional carbon tax, in light of the possible implementation of CBAM in the EU and in the light of leading up to participation in the EU ETS
- ✓ Exchange of lessons learned, tools and further guidance material in the implementation of carbon pricing
- ✓ Discussion of possibilities for sharing part of the infrastructure for carbon pricing

National workshop for operators and other stakeholders in Serbia, October 2022

- ✓ Legal basis and timeline of ETS in Serbia
- ✓ Lessons learned on implementing carbon pricing in Türkiye
- ✓ Rulebook on Monitoring and Reporting in Serbia
- ✓ Learning from monitoring and reporting in the EU ETS
- ✓ Preparing a Monitoring Plan and the Annual Emissions Report
- ✓ Practical guidance documents and tools for operators



What is planned

- National workshop on preparing ETS legislation and implementation in Kosovo
- Follow-up workshop for all ETS stakeholders to provide further support to the effective implementation of ETS in Kosovo
- Study Visit for Serbian Experts to Croatia
- National sectoral workshop on the implementation of MRR for ETS in Serbia
- Regional High-Level Meeting on Carbon Pricing in Skopje
- Discussion about ETS in Bosnia and Herzegovina and the identification of the needs
- All other needs from the Western Balkans and Türkiye



Our observations – next steps from our point of view

- The economies need to decide if they prefer a regional carbon pricing system or separate national systems
- To analyse if the countries are ready for a regional carbon pricing system. Is it possible to implement? By when could we realistically implement it?
- To ensure that such a regional carbon pricing system is compatible with the EU ETS
- ensure that the countries are exempted from the CBAM

