






Gas markets in the Energy Community

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Director

- **Directive 2009/73/EC & Regulation (EC) 715/2009** as adopted by MC Decision 2011/02/MC-EnC
- **Implementation deadline 1 January 2015** (31 December 2020 for Georgia)
- **Network code on Interoperability and Data Exchange*** and **Guidelines on Congestion Management Procedures**** (1 October 2018)










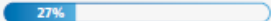
-  Third Package compliant gas law adopted
-  Draft gas law, adoption procedure advanced
-  Draft gas law exists



*PHLG Decision 2018/02/EnC on adopting Commission Regulation (EU) No 2015/703 of 30 April 2015 establishing a Network Code on Interoperability and Data Exchange Rules

**PHLG Decision 2018/01/PHLG-EnC on amending Annex I to Regulation (EC) No 715/2009 on conditions for access to the natural gas transmission networks, as amended at EU level by Commission Decision (EUI20121490 of 24 August 2012 and Commission Decision (EU) 2015/715 of 30 April 2015

Gas Indicators	Transposition Assessment	Implementation Status	
Unbundling			<p>Since 2017 little progress, in some cases – progress reverse</p> <p>Ukrtransgaz still under firm grip of Naftogaz</p> <p>The process of unbundling Ukrtransgaz from Naftogaz has not achieved its objective</p>
Third Party Access			<p>Selection of a foreign partner for the TSO on hold; dubious if it will be a solution for all challenges Ukraine faces</p>
Wholesale market			<p>Public Service Obligation Resolution forecloses the retail market; new draft being discussed with the Government – no reaction</p>
Retail market			<p>Ongoing discussions (including the Secretariat’s mediation) on the amendments to the Transmission Code implementation, including solutions for balancing</p>
Interconnectivity			<p>Joint ECS-EBRD project - establishment of a gas exchange</p>

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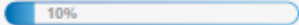

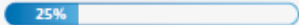

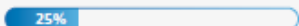

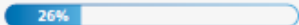

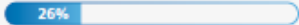
Serbian gas market is highly concentrated and foreclosed

Government’s 2016 action plan requiring Srbijagas to unbundle remains unfulfilled

AERS certified Yugorosgaz Transport - the Secretariat considers the certification decision in contravention of Energy Community law – follow up in cooperation with AERS

Transmission Code exists, but is not applied in practice – most notable: lack of TPA on the existing SR-HU interconnector

IBS – interconnector Bulgaria Serbia a priority... An exemption request from Gastrans for a (transit) pipeline excepted to be filed soon

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Moldova transposed the Third package, with some ambiguous transitory measures


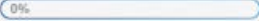

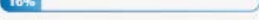



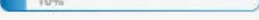


Little progress in unbundling process (derogation valid until 1.1.2020) for MoldovaTransGaz (MTG)

VestMoldTransgaz (VMTG) sold to Transgaz (Ro) in March 2018 – new source/route of supply

The Secretariat, in cooperation with ANRE, initiated the preparation of an e/e transmission tariff methodology, market rules, interoperability concept (Ukr) and transmission (and distribution) grid codes – none is adopted

Real progress in 2020?

Bosnia and Herzegovina

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Since October 2015, Bosnia and Herzegovina is under 'sanctions' for its failure to comply with the gas acquis (Second Energy Package)

An agreement of the state and entity ministers on the transposition of the acquis in the gas sector in Oct 2016 failed completely

Recently, RS adopted a gas law, transposing the gas acquis, but decoupling itself from the rest of the country - the gap between the entities is widening

Reaching agreement on implementing the Third Energy Package provisions in the whole territory of Bosnia and Herzegovina - still the utmost priority

Macedonia, fYR




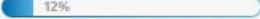



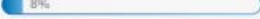

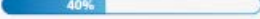
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Macedonia adopted a new energy law in June 2018 which transposes the Third package in gas

Real progress in gas infrastructure construction (MER); length of the network doubled

Solution for GAMA (dispute between the Government and Makpetrol, its shareholders) – a priority

Secondary legal acts – utmost priority






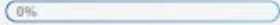



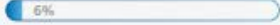
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Georgia became the Contracting Party in 2017 – gas acquis has to be transposed by end 2020

Transit pipelines exempted from the Third package until 2026

The Secretariat drafted a law widely agreed with major stakeholders; prepared other drafts (distribution code) and a natural gas market concept

Storage project under development – financing secured

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After certification of TAP AG under the exemption decision criteria - Albgaz, a national emerging TSO, certified in 2017 (the Secretariat's Opinion taken into account)

Continued elaboration of secondary legislation (T tariffs still to high)

Nevertheless, major challenges lay ahead: functionality of Albgaz, capacity building of the national regulator and most notably, real gas penetration in Albania

Montenegro and Kosovo*



Montenegro and Kosovo* transposed the majority of the Third Energy Package

Montenegro's NRA has started to develop the missing secondary legal acts

Kosovo* adopted a SoS act

Both Contracting Parties explore all possible options how to connect to the gas transmission systems of their neighbours

Adopted in January 2018: NC CMP and NC IO

In pipeline for adoption:

- NC CAM and NC TAR – 28 November 2018

- REMIT

ENTSOG – Energy Community – External cooperation platform

New PECL list in 2018

On a broader level

Reciprocity clause; switch off/on clauses

Treaty amendments try to resolve deficiencies

2030 targets

New network codes direct implementation? SoS Regulation?