



Knowledge Building Requirements for Implementation of the REMIT Regulation in the Energy Community Contracting Parties and Observer Countries

- An Assessment Paper -

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INTRODUCTION

1. About ECRB

The Energy Community Regulatory Board (ECRB) operates based on the Energy Community Treaty. As an institution of the Energy Community (EnC)¹ ECRB advises the Energy Community Ministerial Council and the Permanent High-Level Group on details of statutory, technical and regulatory rules and makes recommendations² in the case of cross-border disputes between national regulators authorities (NRAs).

2. Background

Following the adoption of Regulation 1227/2011 on wholesale energy market integrity and transparency (REMIT) by the Energy Community Ministerial Council in November 2018, ECRB established new working group which main activities are aimed to prepare regulators for the new competences on national and ECRB level under the REMIT Regulation.

Under the ECRB REMIT WG TF3 it is envisaged to establish an ongoing process of capacity/knowledge building of Contracting Parties' NRAs to enable effective implementation and enforcement of the REMIT Regulation in the Contracting Parties of the Energy Community. Starting point of this process is to conduct a Needs Assessment Analysis and based on that to develop a tailor-made knowledge/capacity building program for the targeted NRAs.

3. Scope of the report

The present report covers the Energy Community Contracting Parties **Albania (ALB), Bosnia and Herzegovina (BIH), Georgia (GEO), North Macedonia (MKD), Montenegro (MNE), Serbia (SRB), Kosovo* (XKX), Ukraine (UKR) and Armenia (ARM) and Turkey (TUR) as Observer Countries.** It describes the current level of preparedness among examined NRAs for proper REMIT implementation and provides recommendations on specific knowledge building needs.

Aim of the report is to determine priority training needs for 2020/21 that will be accordingly addressed through training courses in the Regulatory School format.

4. Methodology

Information and analysis provided in this report is based on the answers provided by the NRAs to the questionnaire for assessing NRAs knowledge/capacity building needs, which is an adapted version of

¹ www.energy-community.org. The Energy Community comprises the EU and Albania, Bosnia and Herzegovina, North Macedonia, Kosovo*, Moldova, Montenegro, Serbia, Georgia and Ukraine. Armenia, Turkey and Norway are Observer Countries. *Throughout this document the symbol * refers to the following statement: "This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Advisory opinion on the Kosovo declaration of independence."

² The work of the ECRB is supported by the ECRB Section at the Energy Community Secretariat.



the CEER questionnaire regarding target organisation and REMIT implementation at national level (autumn 2019), with additional questions specific for the targeted NRAs.

The questionnaire consisted seven sets of questions examining the process of REMIT transposition on national level and preparedness/capacity available with NRAs regarding market monitoring activities, registration of market participants, prohibitions against market abuse, penalties, IT resources for data management/security and specific training needs.

Armenian NRA provided brief explanation on the context and expected developments regarding REMIT transposition and implementation, which is accordingly addressed in the need's assessment analysis.



Findings

1. Level of REMIT transposition

NRA	Level of transposition of the adapted version of REMIT on national level	Timeframe for full transposition
ALB	None. ECS sent for approval the Ad Hoc Law for REMIT purposes to the Ministry.	By the mid of 2020
ARM	None. The new trading rules of RA electricity wholesale market have been approved by the Commission's resolution N516-N of December 25, 2019. Based on the preliminary arrangements, the resolution will enter into force on February 1, 2021. The new trading rules envisage the operation of day ahead electricity wholesale market. But the operation of day ahead market mostly depends from the following factors: creation of market management program (algorithm), available technology and preparedness of market participants.	
BIH	Initial preparatory activities undertaken. Working version of a Decision on transposition and implementation of REMIT is done (applicable only to electricity).	By the mid of 2020
XKX	Full transposition	By the mid of 2020
GEO	None Currently draft Law on energy and water supply compliant to Energy Community Acquis is under discussion in the Parliament of Georgia. It is indented to be enforced by the end of 2019. At the same time, GNERC asked support to EU4Energy Project for legal transposition of REMIT regulation into the Georgian energy legislation under new legal framework i.e. after enforcement of draft Law.	By the end of 2020

<p>MKD</p>	<p>Initial preparatory activities undertaken The ERC was involved in drafting amendments to the Energy Law, with the aim to establish legal basis for ERC for full transposition and implementation of REMIT. The changes address partially or fully EnC applicable REMIT articles and envisages full transposition through the ERC secondary legislation. Key points of the proposed amendments are to extend the ERC's competences for proper monitoring and supervision of all electricity and natural gas wholesale market participants, including consumers with electricity or natural gas consumption greater than 600 GWh. Further, to create a basis in the law that defines Prohibition of insider trading, Obligation to publish inside information and Prohibition of market manipulation as prohibited acts for which penalties were prescribed, as well more efficient procedure for investigations and enforcement by ERC.</p>	<p>By the end of 2020</p>
<p>MNE</p>	<p>Initial preparatory activities undertaken Energy Regulatory Agency of Montenegro prepared a proposal of the Law which transposes adapted version of REMIT into national legislation and sent it to the Ministry of economy for further procedure.</p>	<p>By the end of 2020</p>
<p>SRB</p>	<p>Adapted REMIT Regulation has not been transposed. Most of the obligations regarding market transparency and integrity, including some definitions, institutes have been defined in other, special laws adopted before REMIT adaptation took place. These laws are regulating particular segments that are recognised by adapted REMIT (Law on Protection of Secrecy of Commercially Sensitive Data (2011), Law on Competition Protection, Law on Commodity Trading Exchanges (2019), Energy Law (2015), EMS Rulebook on publication of market data and Gas Network Codes) in wording that corresponds to respective institutes utilized by adapted REMIT. AERS being competent of energy market monitoring and reporting, constantly is improving its market monitoring templates and scope of data collection, utilizing best practices of ex post market surveillance as much as possible, but not conflicting with its prescribed competencies set by Energy Law. Energy law does not recognises secondary legislation that can be delivered in order to accommodate fully needs for REMIT transposition.</p>	<p>AERS is not competent authority to decide or indicate ether manner or timing of adapted REMIT transposition (only relevant ministries may propose formulation/amendment of law(s) and regulations.)</p>
<p>TUR</p>	<p>Turkey is not obliged to adapt REMIT yet planning on adapting a REMIT-like framework and preparing a draft legislation is ongoing.</p>	<p>By the end of 2021</p>

UKR	<p>Initial preparatory activities undertaken:</p> <ul style="list-style-type: none"> • NEURC has approved draft Resolution «On approval of Requirements for prohibition and prevention of abuse on the wholesale energy markets». • NEURC submitted to the Parliamentary Committee on Finance, Taxation and Customs Policy proposals for changes to Criminal and Administrative Codes regarding liability for market abuse and insider trading. • NEURC is in the process of preparation of changes to the primary legislation. 	By the end of 2020
	Need for amendments of national legislation	Timeframe for amending primarily legislation
ALB	Yes. Ad-Hoc Law	
ARM	Without an organized market and mainly regulated prices in the market, it is impossible to implement REMIT regulation in the electricity wholesale market. However, REMIT implementation in electricity wholesale market would require further changes of primary legislation. As for the implementation of REMIT regulation in gas market, it is not feasible in near future.	
BIH	Yes. National Law.	By the end of 2020
XKX	No.	
GEO	Yes, primary legislation	By the end of 2019
MKD	Yes, Energy Law and Market Monitoring Rulebook	By the end of 2020
MNE	No amendment of existing legislation but proposal for a separate REMIT legislative act	

<p>SRB</p>	<p>Currently several laws are transposing main concepts, and some institutes, obligations, definitions utilized by adapted REMIT. Wholesale market monitoring and reporting are main AERS competences set by Energy Law (2014), including transposition/approval of codes that regulates market transparency. However, Energy Law at the same time give primary competence to Commission for Competition Protection as the prevailing institution competent for competition protection and for imposing financial penalties set by Law on Competition Protection (2013). Please note that there are also several other laws transposing market integrity and transparency like concepts, such as: 1) Law on Commodity Trading Exchanges (adopted in 2019) which defines institute of market manipulation and insider trading and is regulating in depth commodity exchanges conduct (spot and future commodity markets), prescribing criminal and financial penalties to be charged by the courts in case of market manipulation, insider trading and other related forms of malpractice. 2) Law on Protection of Secrecy of Commercially Sensitive Data (2011) including other laws on data protection, sets definitions, mode of protection, conditions for disclosure and publication of commercially sensitive data, procedures for protection as well as financial penalties for unlawful disclosure applicable also to energy sector, 3) Monitoring of wholesale market is AERS competence set by Energy Law (2014), where Energy Law give primary competence for Commission for Competition Protection as prevailing institution applying Law on Competition Protection (2013).</p>	<p>AERS is not aware of whether there is a need for amendment of other laws, and if there is, what is the timeline, since those issues are not in AERS competence. However, some of NRA competencies prescribed by REMIT cannot be exercised without full REMIT transposition (e.g. establishment of national register of market participants as unique and official public record with unique identifier, etc.) since this requires amendment of Energy law or adoption of new legislation. AERS for now can only keep national register of Licensed energy wholesale and retail suppliers, including foreign entities participating in wholesale electricity market, in the form of license registry, where each of them has its own unique identifier. Also, there is a register of all those whose license is revoked, and which are forbidden from performing energy activity for certain period.</p>
<p>TUR</p>	<p>First, some amendments need to be made in the Law (electricity and natural gas) and then a national legislation like REMIT should be made.</p>	<p>By the end of 2021</p>
<p>UKR</p>	<p>Yes. The laws of Ukraine «On the National Energy and Utilities Regulatory Commission», «On electricity market», «On gas market», Criminal and Administrative Codes.</p>	<p>By the end of 2020</p>

	Option for partial transposition of REMIT in the secondary legislation (without legal basis in the law)	REMIT Articles which could be transposed without amendments of the primary legislation
ALB	ERE would opt for a primary law change, anyhow if such would not happen due to long procedures for such changes, we would go for regulations on the secondary legislation to catch up with the transposition deadlines.	Art. 4, 5, 7, 9, 11, 16, 17
ARM	2020 will be a testing year for implementation of the new trading rules of RA electricity wholesale market that will enter into force on February 1, 2021. In current situation the scope and volume of monitoring activities to be conducted by commission shall be clarified as well. This situation may serve as basis only for implementation of some REMIT provisions.	Art. 7, 8 and 9
BIH	Yes.	Art. 3, 4, 5, 7, 9, 11, 12, 16, 17
XKX	NA	NA
GEO	No.	
MKD	Certain REMIT provisions could be transposed within secondary legislation, but the ERC has prepared and proposed to the Ministry of Economy amendments of the Energy Law, aimed to establish legal basis for full transposition and implementation of REMIT. The process of amending the Energy Law is ongoing.	Art. 4, 7, 9, 11, 12, 14, 15, 16, 17
MNE	No.	
SRB	No. Currently, there is no provision in the Energy Law requiring or allowing secondary legislation on market monitoring. .	NA
TUR	Yes.	Article 4, 9 and 16
UKR	Yes.	Art. 4, 7, 11, 12, 17



2. Capacity for implementation of Article 7 (Monitoring)

NRA	Separate unit/department for market monitoring	Comment
ALB	Market Monitoring Directory	
ARM	NA	NA
BIH	No.	There is Market Section and Market Monitoring Coordinator who is out of this section.
XKX	Department of Energy Market	Market monitoring is one of the tasks of this department.
GEO	No.	So far market monitoring activities are conducted withing different departments (electricity, natural gas, tariffs)
MKD	Department for monitoring, investigations and misdemeanour	
MNE	No.	A working group that is in charge of issues related to the wholesale electricity market is formed.
SRB	No.	There is no separate department/unit in charge just for market monitoring. However, such activity is part of responsibilities of technical, economic and legal departments. AERS collects the data through template info-code tables (available on AERS website) completed periodically by market participants and assessed by different department of AERS depending on the area of responsibilities.
TUR	No.	Currently there is a market monitoring unit in EPIAS which is the Market operator, however EMRA (NRA) would be responsible for monitoring after 2021.

UKR	No.	NEURC doesn't have a separate department in charge for market monitoring. In NEURC in each department of regulated spheres (gas, district heating, water supply and wastewater) there are separate units (divisions) that deal with market monitoring. Functions of market monitoring in electricity sector are divided between different units (divisions) of different departments according to their competence (tariff issues, retail market, wholesale market, quality of supply etc.), i.e. between Department of Strategic Planning and Development, Department of Energy, Department of Energy Market and Department of Licensing Control.	
	Professional profile of MM Staff	Number of employees	Number of full-time employees (FTEs)
ALB	Economists Engineers specialized in network regulation	2 3	
ARM	NA		
BIH	Engineers specialized in network regulation	2	2
XKX	Economists Engineers specialized in network regulation	1 3	1 3
GEO	Economists Lawyers Engineers specialized in network regulation IT experts	3 2 1 1	0.3 0.2 0.2 0.3
MKD	Economists Lawyers Engineers specialized in network regulation IT experts	1 2 1 2	1 1 1 0.5
MNE	Economists Lawyers Engineers specialized in network regulation	2 2 2	Employees that work on monitoring, also cover many other regulatory issues, which makes it very difficult to estimate Number of



			FTEs. These employees are from Economic, Legal and Technical Department.
SRB	Economists Lawyers Engineers specialized in network regulation IT experts	2 (1 electricity and 1 natural gas) 1 2 (1 electricity and 1 natural gas) 1	When needed When needed When needed When needed
TUR	Not applicable since the unit is within EPIAS		
UKR	Economists Engineers specialized in network regulation	14 6	14 6
	MM Software	Electricity/Gas Wholesale Data which is currently monitored	Cooperation with PX
ALB	No.	<ul style="list-style-type: none"> • OTC trading data for electricity • Electricity fundamental data 	Yes, but our NRA does not have a Memorandum of understanding (MoU) or other official document for the cooperation on a continuous basis in place.
ARM	NA		
BIH	No.	<ul style="list-style-type: none"> • Electricity fundamental data • Additional information for the monitoring activities (e.g. insider information, news or data from special providers such as Thomson Reuters, Bloomberg, Platts, etc.). 	No activities on PX establishment at this moment.
XKX	No.	<ul style="list-style-type: none"> • Electricity fundamental data • Electricity balancing products 	Yes, our NRA has a Memorandum of understanding (MoU) or other official document for the cooperation on a continuous basis.



GEO	No, but we are considering procuring/developing such a surveillance software.	<ul style="list-style-type: none"> • OTC trading data <ul style="list-style-type: none"> - - electricity - - gas • Electricity fundamental data • Gas fundamental data 	Yes, but our NRA does not have a Memorandum of understanding (MoU) or other official document for the cooperation on a continuous basis in place.
MKD	Specially developed software named mm-central, used to generate Excel reports based on information collected from relevant market participants via web platform and stored in SQL database.	<ul style="list-style-type: none"> • OTC trading data (average on monthly basis) for electricity and gas • Electricity fundamental data • Gas fundamental data • HUPX data for wholesale electricity prices and Platts data (Diesel and Fuel oil prices) for forecasting wholesale natural gas prices 	ERC works closely with the MO in the process of establishing PX in the country. REMIT related issues, including reporting to ERC, are adequately addressed in their draft internal procedures which are currently under revision procedure in ERC. REMIT related obligations will be addressed in the license as well.
MNE	No.	<ul style="list-style-type: none"> • OTC trading data for electricity • Electricity fundamental data 	Yes, but our NRA does not have a Memorandum of understanding (MoU) or other official document for the cooperation on a continuous basis in place.
SRB	No.	<ul style="list-style-type: none"> • Electricity fundamental data • Gas fundamental data 	NRA is authorized by Energy law to demand from market participants all data necessary for performing AERS regulatory tasks and competencies, such as the market monitoring competence. Power Exchange is market participant and at the same time is holder of AERS license for organization of electricity market

TUR	No, but we are considering procuring/developing such a surveillance software. Terms of reference regarding the software is being developed by EMRA.	NA	No.
UKR	No, but we are considering procuring/developing such a surveillance software. NEURC is negotiating with USAID on ToR development and software procuring.	<ul style="list-style-type: none"> • Orders and transactions traded at organized power exchanges through reports provided to NEURC • OTC trading data <ul style="list-style-type: none"> - For electricity - For gas • Electricity fundamental data • Gas fundamental data 	In Ukraine electricity day-a-head market and intraday market are organized by the Market operator. Electricity and gas balancing markets are organized by appropriate TSOs. All of them are NEURC's licensees and have an obligation to complete and submit monitoring reporting forms to NEURC.
Publishing MM reports on regular basis			
ALB	https://ere.gov.al/mat.php?idr=283&idm=635&lang=1		
ARM	NA		
BIH	The Report on Activities of the SERC at: http://derk.ba/en/godinja-izvjetaji-derk-a/godinja-izvjetaj-2018		
XKX	We don't publish them, but we plan to publish the reports in the future.		
GEO	Market monitoring issues are incorporated in the GNERC's activity reports. http://gnerc.org/en/public-information/gazi/tsliuri-angarishi		
MKD	ERC is publishing market monitoring key findings on Annual basis, as part of its Annual Report. https://www.erc.org.mk/odluki/2019.07.23_GI%20za%20rabotata%20na%20RKE%20za%202018%20godina-ENG.pdf		
MNE	Findings from monitoring of the market and energy entities make part of the report on the state of the energy sector, which is published annually on the site of Agency. http://regagen.co.me/site_cg/public/index.php/index/pretraga?pretraga_val=o+stanju		



SRB	It is in AERS yearly report published on AERS web site
TUR	EMRA publishes annual reports regarding Electricity, Natural Gas, Petroleum, and LPG. Therefore, monitoring reports would probably be embedded in those reports.
UKR	http://www.nerc.gov.ua/?id=33037 http://www.nerc.gov.ua/?id=45882

3. Capacity for implementation of Article 9 (Registration of market participants)

NRA	Allocating/planning to allocate resources for registration of market participants	Using present MM staff or engaging additional personnel for registration of market participants
ALB	Yes	Not decided yet
ARM	NA	
BIH	Yes	Existing
XKX	Yes	Existing
GEO	Not decided yet	Not decided yet
MKD	Yes	Existing + Additional
MNE	Not decided yet	Not decided yet

SRB	Not decided yet	Not decided yet
TUR	Yes	Existing
UKR	Yes	Not decided yet
	Market participants obligation to inform NRA on changes in their license registration data	Implemented procedures for keeping updated registration data
ALB	No	No
ARM	NA	
BIH	Only market participants licensed by SERC.	SERC keeps updated traders register through cooperation with entities regulators.
XKX	Yes, they are obligate to inform ERO about any changes or updates.	There is no specific procedure, but within the Application for Licensing, there is paragraph that requires for any eventual changes from data changes during the licensed activity, the Regulator have to be informed.
GEO	GNERC's resolution №23 On Approval of the Rules for Control and Licensing of Activities in the Electricity, Natural Gas and Water Supply Sector requires licenses to notify GNERC any changes in their registration data.	GNERC adopted resolution on energy market monitoring rules which incorporates provisions for registration of market participants. However, this registration process do no incorporates REMIT regulations' requirements.
MKD	License holders report about changes on their license data (ownership, legal entity name, HQ location and management changes) and they are obligated to submit notices of any circumstances, events and changes that may or may have an impact on the performance of the energy activity.	Currently, at least once per year, ERC is checking/comparing data on the market participants through the data provided by the Central Registry, where all legal entities are registered.



MNE	Licensed entities actively inform MNE NRA about changes in the data related to issued licenses. However, currently, market participants are obliged by the Law to register with the Market operator (which is not PX), and the obligation to register with NRA doesn't exist.	No. Currently market participants are obliged by the Law to register with the Market operator (which is not PX), and the obligation to register with NRA doesn't exist.
SRB	This obligation is stipulated in each license as obligation of licensee to inform on any change within 15 days. AERS may issue the warning as measure for disciplining licensee, in accordance with the Energy law. Ultimately, omission to fulfil obligation is defined in the license act as a reason for license revocation.	Formal process is set in internal documents delivered by AERS in line with this competence set in Licensing Rulebook and in Energy Law. Special person is responsible for keeping Register up to date.
TUR	Yes, registration data is evaluated by the licensing department in EMRA.	No.
UKR	Yes, licensees are obligated to inform NEURC about changes or updates within 5-30 days.	Included in License conditions.
Need for additional information from market participants gained through the registration process (which is currently not collected)		
ALB	Yes, additional needed information is for the NRA to publish relevant changed data.	
ARM	NA	
BIH	Yes. To be defined.	
XKX	No.	
GEO	No.	



MKD	EIC Codes and more information about the nature on the scope of activities of the company, including the structure and statutes of the company, as well financial reporting.
MNE	No.
SRB	No.
TUR	No.
UKR	Yes, the persons responsible for its operational and trading decisions, ultimate controller or beneficiary, etc.

4. Capacity for implementation of Article 13 (Prohibitions against market abuse)

NRA	Plan for establishing REMIT investigation team	Formal investigation procedures under the current legal competences	Description of the current investigation process
ALB	Yes.	Not decided yet	Not decided yet.
ARM	NA		
BIH	Not decided yet.	N/A.	No.
XKX	Yes, but not decided yet (need more clarification).	Law on Energy Regulator, articles 37and 57. After receiving the data from the licensee, ERO control them and analysing their compliance with the relevant legislation. For any eventual violations, ERO initiates an investigation and, depending on the results, takes measures which can be Administrative	No. We monitor the market based on the guidelines provided in the primary and secondary legislation/Market Rules.



		nature; penalty (financial) or withdraw the License.	
GEO	It is not decided yet.	Under existing legislation GNERC has energy market monitoring authority, however formal process of investigation is not prescribed in secondary legislation which is legal gap. We intend to overcome this gap after we will have new Law on Energy and Water Supply.	No.
MKD	Yes. ERC employees in the Department for monitoring, investigations and misdemeanour in cooperation with other authorized institutions. The profile of the team members will include economists, lawyers, engineers, ITC/Statistics/Mathematics Experts.	For this purpose, ERC needs to gain legal basis in the Energy Law.	No.
MNE	Yes. It is not decided yet who and how many employees will conduct the investigations.	According to the Law in force, MNE NRA has the right to monitor the market and operation and functioning of energy undertakings in respect of compliance with license requirements. If MNE NRA determines that an energy undertaking failed to comply with license requirements, NRA shall order the undertaking to remove the identified irregularities and shall set a deadline for their removal. If through monitoring it is identified that there are irregularities in operation or behaviour of the undertaking contrary to the rules of competition, security of supply, customer protection and safety, NRA shall inform the authority competent for competition or customer protection. If the subject commits an infringement prescribed by the Law, NRA has the right to initiate proceedings before a competent court.	No.



SRB	NA	NA	NA
TUR	Yes.	NA	NA
UKR	No, it's not decided yet.	According to latest changes in NEURC's Law our NRA has the investigatory power but hasn't develop procedure of carrying investigation yet.	No.

5. Capacity for implementation of Article 18 (Penalties)

NRA	Enforcement of sanctioning powers	Current scope of the NRA sanctioning power
ALB	Directly by the NRA	To all market participants that have been established/registered in the country.
ARM	NA	
BIH	In collaboration with other authorities. To be analysed and decided.	Suspension/withdrawal license only issued by SERC.
XKX	Directly by the NRA (Law on Energy Regulator, article 57, and Rule on Administrative Measures and Fines) and in collaboration with other authorities. ERO has the right to issue the penalties up to 10% of annual revenue.	All market participants that have been established/registered in the country.
GEO	Directly by the NRA	To all market participants that have an impact on the wholesale market in the country
MKD	By application to the competent judicial authorities.	To all market participants that have been established/registered in the country.

MNE	<ul style="list-style-type: none"> - In collaboration with other authorities. According to article 48 paragraph 7 of the Energy Law, „should the monitoring identify irregularities in operation or acting of the undertaking contrary to the rules of competition, supply safety, customers' protection and safety, the Agency shall inform the authority competent for competition or customers' protection“. - By application to the competent judicial authorities Currently MNE NRA exercise sanctioning powers by application to the competent judicial authorities. The future implementation of this power depends whether the proposal of the Law which transposes REMIT into national legislation will be adopted. 	<p>Currently NRA has not the direct sanctioning power. However, measures that NRA has right to take, that are described under answers on question IV 2 and V 2, are related to licensed and regulated entities. NRA doesn't issue a license for traders currently.</p>
SRB	<p>By application to the competent judicial authorities only for activities that are sanctioned by law, with exception of infringement of competition protection rules where Commission may impose directly financial penalties or apply other measures etc.</p>	<p>All Energy subjects domestic and foreign that possess AERS license (wholesale traders, retailers, suppliers with PSO)</p>
TUR	<p>In collaboration with other authorities. Competition Authority (https://www.rekabet.gov.tr/en) and Capital Markets Board Of Turkey (http://www.cmb.gov.tr/)</p>	<p>Currently there is no legal basis but all market participants that have an impact on the wholesale market in the country will be in the scope of EMRA following law amendments.</p>
UKR	<p>Directly by the NRA.</p>	<p>All market participants that are NEURC's licensees.</p>
	<p>NRA intentions to practice sanctioning powers directly or in collaboration with other authorities. Will there be a dedicated REMIT sanctioning team?</p>	<p>In the cases of dedicated REMIT sanctioning team, indicative number of full-time equivalents (FTEs) and their professional background that is planned to be involved in sanctioning activities.</p>
ALB	<p>not defined</p>	<p>not defined</p>
ARM	<p>NA</p>	



BIH	No.	
XKX	Not decided yet.	
GEO	It is not decided yet	It is not decided yet
MKD	ERC Department for monitoring, investigations and misdemeanour is composed of Monitoring Unit and Investigation and Misdemeanour Unit. The latter will be in charge for investigations and enacting procedures in front of the competent judicial authorities	The new Unit is still not equipped with staff. It is planned to have approx. the following profiles: Lawyers 1-2 Economists 1 Engineers 1
MNE	It is not decided yet. Depends of the future of the proposal of the mentioned law.	It is not decided yet. Depends of the future of the proposal of the mentioned law.
SRB	NA	NA
TUR	The monitoring unit will sanction activities.	They would be energy experts (~5) who have experience in organized wholesale market.
UKR	No. Department of licensing control will be in charge for this.	Mostly lawyers and economists.
Detailed process regarding sanctioning, from the start of the sanctioning procedure to the end (penalty decision), under the current NRA competences		
ALB	Not applicable	
ARM	NA	
BIH	NA	



XKX	After analysing market data, the regulator initiates an investigation and prepares a draft Report, which sends a comment to the licensee, and after commentary prepares a final Report that includes the findings. ERO may issue Administrative measures; penalties up to 10% of revenues accumulated by the energy enterprise during the previous fiscal year. ERO Decision can be appealed only to the Administrative Court.
GEO	It is not decided yet
MKD	In the case of breach, ERC should, as a starting point, issue a Decision that will prohibit certain unlawful behaviour by the market participant. If the market participant is not acting in compliance with the ERC Decision, the regulator is entitled to start procedure for revoking license or to start penalty procedure in front of the court which decides on misdemeanours. With the proposed Energy Law Amendments in the case of breach ERC can immediately start penalty procedure in front of the court which decides on misdemeanours.
MNE	As written above, currently NRA has not direct sanctioning power and the process which NRA is entitled to conduct is described under answers on question IV 2 and V 2.
SRB	NA
TUR	Currently there is no legal basis regarding sanctioning.
UKR	On the NEURC's meetings which hold in the form of open hearings, NEURC adopts a penalty decision on the results of the on-site and off-site inspections.

6. IT Capacities

NRA	Profiles of IT resources	Number of personnel	Internal to Monitoring team	Within the NRA	External	Other, please specify
ALB	IT Specialist	1		1		



ARM	NA					
BIH	Data manager	1		1		
XKX	IT developer and data manager and security manager	1		1		
GEO	Security manager(s) IT developer and data manager(s) IT developer and security manager(s)	1 4 3				
MKD	IT developer, data manager and security manager	2.5		2	0.5	
MNE	Senior IT & Technical Officer	1		1		
SRB	IT developer and data manager(s) System and security engineer	1 1		1 1		
TUR	IT developer(s) Data manager(s) Security manager(s) IT developer and data manager(s) IT developer and security manager(s) Data manager and security manager(s) IT developer and data manager and security manager The Data Management Department carries out the needs of the other departments and currently there are 20 experts.	3 3 3 2 3 3 3		3 3 3 2 3 3 3		



UKR	IT developers and data managers	8	8		
	Outsourced IT services	Measures for data security			
ALB	Internet Service, Web Hosting and Mail Server	Internet Service provider should provide maintenance and maximum of security for our website www.ere.gov.al, according the contract assigned between ERE and ISP. ISP should provide included with the line even the end equipment (CPE), the Router brand name that can support services like Firewall, IPS (intrusion prevention system), content filtering, according the contract assigned between ERE and ISP. ISP should secure data of ERE according the regulation of AKEP. (Autoriteti i Komunikimeve Elektronike dhe Postare) (Electronic and Postal Communications Authority)			
ARM	NA				
BIH	Outsourcing is engaged when needed. (IT development and data management)	Security measures are defined through a contract agreement.			
XKX	NA	NA			
GEO	NA	NA			
MKD	Experts from the Faculty of Electrical Engineering and Information Technologies in Skopje and external IT company.	There are provisions in the Contracts with the service providers regarding data security and confidentiality. Additionally, ERC IT team is responsible for regulating access level to ERC servers for external service providers.			
MNE	MNE NRA is using external services for hardware and software maintenance services.	Such procedures and measures are not foreseen yet. They will be developed along with IT system development in the future.			



SRB	WEB site of the Agency.	Service provider doesn't have access to our resources, except in rare cases when we explicitly allow them.
TUR	NA	NA
UKR	Not applicable.	Not applicable.
Plans to modify/enhance IT resources in the future		
ALB	Yes	
ARM		
BIH	Yes. Depending on the new SERC competences.	
XKX	No.	
GEO	It is not decided yet.	
MKD	Recently ERC employed one more IT expert and plans to expand IT team with new staff in the following period. Additionally, every year there is significant portion of the budget allocated for new and upgrade of the existing software, hardware (data servers and other IT equipment), as well emphasis on data protection measures.	
MNE	For the implementation of REMIT, we will surely need to enhance our IT resources, in sense of hardware, software and personnel, but this will be step by step process. For now, the precise plan doesn't exist.	
SRB	One of the tasks of the ongoing IPA 2014 project, as the result, should produce tender dossier documentation for the AERS Information System. The following IPA 2018 project should provide full implementation of the mentioned tender dossier documentation and produce a fully operational AERS Information System.	
TUR	There is an IPA project regarding issues in terms of REMIT and according to the outcomes more IT personnel may be hired.	

UKR	Yes, but no concrete plans yet.
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7. Training Needs

NRA	Introduction to REMIT legislation and structures	Registration of market participants	Overview of REMIT reporting requirements	Overview of WS Energy Markets in EU and EnC	Trading Training	Market Monitoring Software - applicable options	REMIT Security Policies (Data Security)	WS Energy Market Monitoring	REMIT Implementation – good practices from EU Regulators	Case Management
ALB	X	X	X	X	X	X	X	X	X	X
BIH		X	X		X		X	X	X	X
XKX	X	X	X	X	X	X	X	X	X	X
GEO	X	X	X	X	X	X	X	X	X	X
MKD	X	X	X	X	X	X	X	X	X	X
MNE		X	X	X	X	X	X	X	X	X
SRB	X	X	X	X	X	X	X	X	X	X
TUR	X	X	X	X	X	X	X	X	X	X
UKR	X	X	X	X	X	X	X	X	X	X



Priority topics for 2020

NRA	Introduction to REMIT legislation and structures	Registration of market participants	Overview of REMIT reporting requirements	Overview of WS Energy Markets in EU and EnC	Trading Training	Market Monitoring Software - applicable options	REMIT Security Policies (Data Security)	WS Energy Market Monitoring	REMIT Implementation – good practices from EU Regulators	Case Management
ALB	X		X	X	X					
BIH		X					X	X	X	X
XKX		X	X					X	X	
GEO	X			X			X		X	
MKD	X	X	X						X	
MNE		X				X	X		X	
SRB		X	X			X	X			
TUR			X			X	X	X		
UKR		X	X			X				X
Total	3	6	6	2	1	4	5	3	5	2



Remaining topics of interest that could be addressed in 2021

NRA	Introduction to REMIT legislation and structures	Registration of market participants	Overview of REMIT reporting requirements	Overview of WS Energy Markets in EU and EnC	Trading Training	Market Monitoring Software - applicable options	REMIT Security Policies (Data Security)	WS Energy Market Monitoring	REMIT Implementation – good practices from EU Regulators	Case Management
ALB						X	X	X	X	X
BIH			X		X		X			
XKX				X	X	X	X			X
GEO										
MKD					X	X	X			X
MNE			X	X	X			X		X
SRB			X			X	X			X
TUR					X			X	X	X
UKR					X		X	X	X	
Total			3	2	6	4	6	4	3	6

CONCLUSIONS

Main conclusions from the presented assessment of the examined NRA's are following:

- Except in Kosovo*, the level of transposition of the adapted version of REMIT in other CPs, including Turkey, is either none or partial. In Albania, Georgia, Montenegro, North Macedonia and Ukraine the process for changes in the laws for transposition of REMIT is ongoing, while in Bosnia and Herzegovina this process is envisaged to be completed by a decision of the NRA which has already being drafted. In Serbia parts of adapted REMIT are transposed in several legal acts, although for full transposition (including, e.g. the establishment of a register) additional changes of the law are needed.
- In Armenia the primary challenge of the regulator is the introduction of the new trading rules which are envisaged to enter into force on February 1, 2021. The lack of an organized wholesale electricity market and the presence of regulated prices are the key obstacles for REMIT implementation and would require further changes of primary legislation, while implementation of REMIT in the Armenian gas market is not feasible in near future.
- The expected timeframe for full transposition ranges between mid of 2020 (ALB, BIH, XKX), end of 2020 (GEO, MKD, MNE, UKR), and end of 2021 in Turkey. The option for partial transposition of REMIT in secondary legislation (without legal basis in the law) is present in Albania, Bosnia and Herzegovina and North Macedonia. In Serbia the Energy Law does not envisage REMIT alike institutes nor does it provide the basis for secondary legislation for transposing REMIT requirements.
- NRAs from Albania and North Macedonia have established separate departments for market monitoring, while the remaining NRAs market monitoring activities are performed within other departments. The overall average number of staff working on market monitoring is 6,75; an assessment of the number of fulltime employees is available for Bosnia and Herzegovina (2), Georgia (1), North Macedonia (3,5) and Ukraine (20).
- Only in North Macedonia software for market data collection and analysis is presently used, while Georgia, Turkey and Ukraine are planning to obtain surveillance software in the following period. Ukrainian Regulator is monitoring orders and transactions traded at organized power exchanges and the Regulators in Bosnia and Herzegovina and North Macedonia are using information and data for monitoring purposes provided from specialized services such as Platts. OTC trading data are monitored in Albania, Georgia, Montenegro North Macedonia and Ukraine, and electricity/gas fundamental data is monitored by most of the NRAs. Market monitoring data and analysis are published by most of the NRAs as part of their Annual Reports.
- NRAs from Albania, Bosnia and Herzegovina, North Macedonia, Turkey Kosovo* and Ukraine have allocated and/or planning to allocate resources for registration of market participants, while in the remaining NRAs there is still no decision for allocating resources regarding this new regulatory task. In most of the cases, except in Albania, market participants have an obligation to inform the NRA about changes in their license registration data, while in Bosnia and

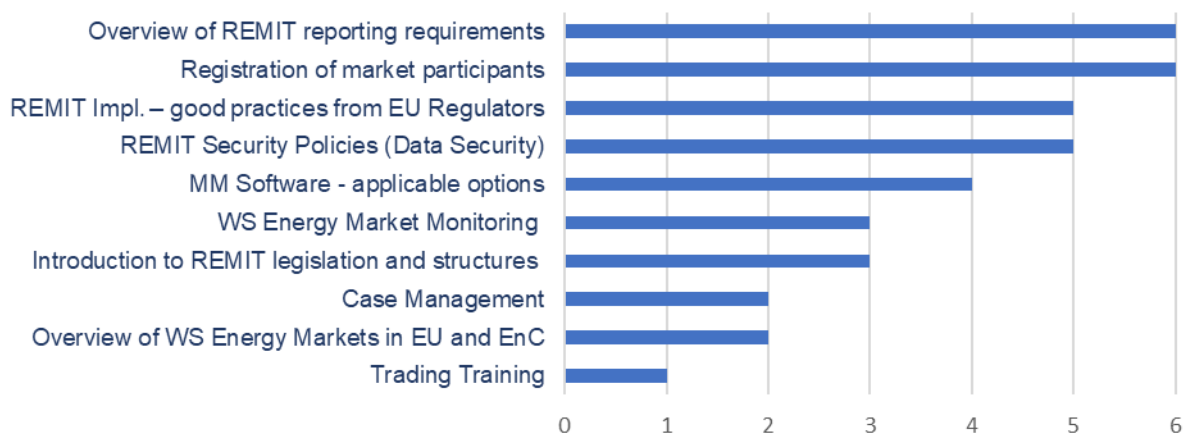
Herzegovina, North Macedonia, Serbia and Ukraine there are internal NRA procedures for keeping registration data updated. NRAs from Albania, Bosnia and Herzegovina, North Macedonia and Ukraine identified the need for additional information from market participants gained through the registration process, which is currently not collected as part of the license registration data.

- Regulators from Albania, North Macedonia, Montenegro, Turkey and Kosovo* are planning to establish REMIT investigation teams, while in the remaining NRAs there is still no decision for allocating resources regarding this new regulatory task. Except in Kosovo*, other regulators do not have established formal investigation procedures under the current legal competences and providing legal basis in the primary legislation is required for this purpose. Enforcement of sanctioning powers directly by the regulator is envisaged in Albania, Georgia Kosovo* and Ukraine. In the remaining cases, enforcement of sanctioning powers is foreseen in collaboration with other authorities, and through application to the competent judicial authorities. In Serbia, for the cases of infringement of competition protection rules, the Commission for Protection of Competition may impose directly financial penalties or apply other measures.
- The NRA of North Macedonia recently introduced a new organizational setting as per which the Energy Markets Monitoring Department is transformed into the Department for Monitoring, Investigations and Misdemeanour, composed of the Monitoring Unit and the Investigation and Misdemeanour Unit. The latter will be in charge for investigations and enacting applications to the competent judicial authorities. A recruitment process is ongoing and is expected to be completed by the mid of 2020. In Ukraine, the Department of licensing control will be in charge for sanctioning related activities.
- The overall average number of IT staff is 3 employees per NRA. An exemption is the Turkish Regulator, which employs 20 IT experts. Most of the regulators are using outsourced IT services, mainly for website hosting, development and maintenance, as well other IT needs, such as software development in North Macedonia. Regulators in Albania and North Macedonia have in place procedures and measures for data security in the cases of outsourced IT services. Most of the regulators have expressed need for enhancing IT resources in the future.

TRAININGS RECOMMENDATION

Needs assessment shows that following training topics separately or combined should be addressed through the Energy Community Regulatory School format in 2020 and 2021 in order to strengthen NRAs capacities for proper REMIT implementation.

Priority training topics for 2020



Remaining topics of interest that could be addressed in 2021





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