

Bosnia stands to lose financial support from the European Union for its energy sector because it has failed to adopt an energy strategy at the state level and implement regulations under the EU's Third Energy Package, the director of the Energy Community Secretariat told SeeNews.

The Energy Community Secretariat has asked the European Council of Ministers to impose sanctions on Bosnia for constantly failing to adopt a national gas legislation which is compliant with the EU's Third Energy Package, a commitment the country took on as part of its membership in the Energy Community, Janez Kopac told SeeNews in an email on Tuesday. He added that Bosnia is also lagging behind with the adoption of the Second Energy Package and that the country has made no progress on the national gas law since the creation of the Energy Community ten years ago.

In order to punish Bosnia for not fulfilling its energy obligations, the Energy Community Secretariat has asked the EU Council of Ministers to suspend all financial support to Bosnia for energy projects for a period of at least one year or until the country shows a serious commitment towards realising its responsibilities, Kopac confirmed for SeeNews. A decision on the sanctions is due to be discussed on October 16 during the Energy Community Ministerial Council in Tirana.

On Tuesday, local media reported that Bosnia stands to lose some 100 million euro (\$114.6 million) planned to finance projects in the energy sector. This is not the first time the Energy Council has sought to punish Bosnia for ignoring energy action plans. Last year it decided to postpone possible sanctions until 2015, despite the country having made a number of breaches of the community's gas law.

The Vienna-based Energy Community was established by an international law treaty in October 2005. As of July 1, 2013, the parties to the treaty are the European Union and Albania, Bosnia and Herzegovina, Croatia, Kosovo, FYROM, Moldova, Montenegro, Serbia and Ukraine. The key aim of the organization is to extend the EU internal energy market to Southeast Europe and beyond on the basis of a legally binding framework.

source: energyworldmag.com