

The full transposition of the IED in the part referring to the IPPC is expected by 2018. Serbian power utility EPS which is operating with majority of coal fired power plants needs to modernize its facilities or opt for 2023 decommissioning. The investment cycle in any scenario would enable Serbia to keep its balanced electricity position in SEE region.

The provisions of the Large Combustion Plants Directive have been partially transposed by the Regulation on Limit Values of Pollutants Emission into Air. The short-term priorities within the period 2015 - 2016 are the adoption of a new regulation and the preparation of the specific implementation plan for the Large Combustion Plants Directive, from Chapter III of IED which refers to large combustion plants.

The Regulation on Limit Values of Pollutants Emission into Air provides a legal basis for the preparation of the National Emissions Reduction Plan for the existing combustion plants and for the application of the "opt-out" mechanism.

In accordance with the obligations arising from the Treaty Establishing the Energy Community, the deadline for NERP submission is the end of 2015. This is also the deadline for submitting a list of large combustion plants envisaged for the "opt-out" mechanism.

The energy sector, in the sense of the large combustion plants definition, includes thermal power plants, heating plants and the combustion plants within NIS. The energy sector includes 44 of the 46 such plants.

In the thermal power plants within the EPS, the following activities have been envisaged:

TPP Nikola Tesla

Power Units A3 - A6: desulphurization project, financed from the Japanese loan and currently in the phase of technical tenders evaluation

Power Unit A4: denitrification project is in the implementation phase

Power Unit A6: it is expected that the funds from the IPA 2016 will be provided for the denitrification project.

Power Unit B1: denitrification project has been planned

TPP Kostolac

Desulphurization project on the power units B1 and B2 is financed from the Chinese loan

TPP Morava

Reconstruction of electro-filters through the IPA 2012 funds.

The financial estimates for achieving conformity in the large combustion plants within the EPS say that this is the sum of around 640 million euros, and with the provisions contained in the Chapter III of IED - 710 million euros.

By the decisions of the Ministerial Council of the Energy Community, the obligations of transposing and implementing the Chapter III of IED have been introduced. The

implementation deadlines have been defined taking into account national circumstances. IED allows the states to use certain flexible mechanisms. It is necessary to obtain the opinion of the European Commission on whether Serbia will have the possibility to use these mechanisms, considering that their use is in compliance with the time limits that are not applicable to Serbia, because the potential year of gaining membership is 2021.

When it comes to the directive on reducing the sulphur content, by the Energy Law, a fuel monitoring system has been established as well as the development of a database of samples. So far, more than 500 million euros have been invested in the modernization of refinery capacities by which the quality of white oil derivatives has been brought into compliance with the highest EU standards.

This directive also refers to the quality of black oil derivatives, because of which a full harmonization of the national legislation and the implementation of a new investment cycle is necessary in refineries.

When it comes to the directive on the management of waste from extractive industries, its implementation is in the initial phase. The Ministry of Energy is responsible for the adoption of regulations by which the procedure for and the manner of disposing and managing the waste from mining activities, as well as reporting on this waste, will be defined.