

Serbia is lagging behind in the implementation of the European Union's Third Energy Package, although the adopted secondary legislation constitutes a largely compliant legal framework, the Energy Community has said.

More specifically, the implementation is delayed with regard to the unbundling of the transmission and distribution system operators, which entails non-compliance with the regulatory framework, the secretariat of the Vienna-based organisation said in its 2016/2017 annual implementation report published earlier this week.

Serbia made modest progress in fulfilling last year's priorities, as state-owned transmission system operator Elektromreza Srbije failed to close either of the two open issues in the sphere of regional capacity allocation.

EMS is in a long-term dispute with the system operator of Kosovo, KOSTT, in the solution of which no progress was made during the reporting period. Moreover, EMS is the only transmission system operator in the Western Balkans not participating in SEE CAO.

The distribution system operator is legally but not functionally unbundled and the act on its establishment will have to be changed in order to ensure functional unbundling in compliance with the rules, the organisation noted.

On the other hand, provisions on third party access to transmission and distribution systems are transposed in compliance with the Third Energy Package, while the wholesale market is liberalised and organised through a functional day-ahead market.

Future progress also depends on the further deregulation of the electricity market, finalisation of the unbundling of the distribution system operator and strengthening regional cooperation, the organisation added.

The Energy Community was established in October 2005 with the key aim of extending the EU internal energy market to Southeast Europe and beyond on the basis of a legally binding framework. The international organisation consists of the EU, represented by the European Commission, and the countries of Albania, Bosnia and Herzegovina, Georgia, Macedonia, Kosovo, Moldova, Montenegro, Serbia and Ukraine.

Source: seenews