



Republic of Serbia
Ministry of Mining and Energy



Policy Reforms in Serbia

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REPUBLIC OF SERBIA
MINISTRY OF MINING AND ENERGY
BELGRADE, NEMANJINA 22-26

ENERGY POLICY

THE ENERGY SECTOR DEVELOPMENT STRATEGY OF THE REPUBLIC OF SERBIA

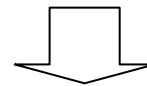
This document was adopted by the Serbian Government in December 2004, and by the Parliament in May 2005.

The energy strategy implementation program from
the year 2007 till 2012)

Adopted in January 2007

THE ENERGY BALANCE

is adopted by the Government of the Republic of Serbia,
on the proposal of the Ministry by the end of October of
the current year



Defining a stable energy market

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Energy policy

- ❑ Safe, reliable energy supply
- ❑ Balanced development of energy sectors
- ❑ Encouraging competition
- ❑ Defining conditions for a safe and reliable energy system
- ❑ Providing energy infrastructure development
- ❑ Providing conditions for advances in energy efficiency technologies
- ❑ Creating transparent, and attractive conditions for investments in the energy sector
- ❑ Creating the conditions for the use of renewable energy sources
- ❑ Promoting environment protection
- ❑ Decentralization in planning and putting into effect development programs



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Energy sector development strategy until 2015

Strategic document adopted in 2005

BASIC PRIORITY

continuous improvement of technological and operating performance of energy sources and facilities

TARGETED PRIORITY

economical use of energy products and increase in energy efficiency

SPECIAL PRIORITY

use of new renewable energy sources and energy efficient technologies

OPTIONAL PRIORITY

extraordinary investments in new energy sources

LONG TERM PRIORITY

capital-intensive investments in new energy sources/facilities, and participation in the planning of new strategic energy sources and facilities



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International commitments

Treaty Establishing the Energy Community

- Entered into force 1 July 2006
- Implementation of the Acquis on energy, competition, Environment
- Implementation of EU EE Directives is most likely to be added on the next Ministerial conference this year
- The directives on EE will be included on the Ministerial conference in December 2009

Ratification of Kyoto Protocol

- UNFCCC - ratified on May 12, 2001
- Kyoto Protocol – Ratified in the parliament in October 2007
- status: Non Annex 1 Country
- I National Communication (with GHG Inventory) – under development



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Module on Energy Efficiency - Barriers

- ❑ **Lack of institutional capacities**
- ❑ **Little motivation of energy consumers**
 - low energy prices and price disparity
 - relatively high investment costs and low life standard
- ❑ **No incentive instruments**
- ❑ **Expensive loans and non attractive loan conditions**
- ❑ **Insufficient financial capability of industry and citizens**
- ❑ **Undeveloped market of EE products and services**
- ❑ **Lack of awareness and information**
- ❑ **Ongoing privatization of municipal companies which largely contribute to energy consumption**



Module on Renewable Energy Sources

- Barriers

- ❑ Lack of clear obligations of the system operator to connect RE producers to the transmission system and to dispatch RES electricity with priority;
- ❑ Lack of standards for the equipment using RES and procedures for exploiting RES;
- ❑ Lack of regulations concerning the design, construction, control and installation of equipment utilizing RES;
- ❑ The absence of accredited laboratories for facilities using RES;
- ❑ Uneconomical electricity prices and energy price disparity.



Ongoing projects

- **Support mechanism regarding the promotion the use of Renewables.**
 - Energy strategy implementation program from the year 2007 till 2012 – introduction of feed-in tariffs
 - Decree on the conditions for obtaining the status of a privileged power producer - Adopted August 2009
- **The amendments and supplements to the Energy Law**
 - Introduce necessary clarification regarding privileged heat produces;
 - Define biofuels which are used for transport and define necessary secondary legislation;
 - Clearly define the obligation of the actors on the energy market regarding connecting to the network, taking over and dispatching of electricity/heat etc.
 - Broadening the scope of the Jurisdiction of the Energy Agency to issue Guarantee of Origin



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Ongoing projects

□ **The Law on the Rational Use of Energy**

■ **In line with EU directives**

- **Directive 2006/32/EC on energy end-use efficiency and energy services**
- **Directive 2002/91/EC on the energy performance of buildings and Directive 92/75/EEC**
- **Directives on the indication by labeling and standard product information of the consumption of energy and other resources by household appliances**

■ **New buildings – new technical conditions for design**

■ **Introduction of energy management**

■ **Fund for energy efficiency**



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Ongoing projects

- **Amendments and supplements to the Law on Construction**
 - Simplified procedure of issuing building permit
- **Strategy of Sustainable Development**
 - Use of Renewables, and implementation of EE measures recognized as one of the priorities of Government of Serbia.



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Ongoing projects

- ❑ **The Formulation of an Energy Efficiency Action Plan pursuant with the Energy Community Treaty**
- ❑ **The Study for Introduction of Energy Management system in Serbia (JICA funded)**
- ❑ **The Introduction of Energy Performance Contracting to the Republic of Serbia (Funded by the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety of the Federal Republic of Germany)**
- ❑ **Formulation of a National biomass Action Plan (funded by SenterNovem)**



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Future Activities

- Defining the new Energy Strategy
- Further harmonization of Serbian regulations with existing and new EU regulation
- Further capacity building of Serbian institutions



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