Energy Community Secretariat

2026/3

# CBAM Quarterly report

30 October 2026

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# Introduction

Following the Q1 and Q2 editions, the Energy Community Secretariat continues its quarterly monitoring of electricity market developments in the Energy Community Contracting Parties and neighbouring EU Member States in the context of the EU Carbon Border Adjustment Mechanism (CBAM). This third report covers the period from 1 July to 30 September 2026 and as in the previous editions, the findings describe emerging and often season-specific patterns rather than definitive effects of Union policies. Changes in prices and cross-border commercial exchanges are also shaped by generation, demand, available cross-border capacity, as well as broader regional market conditions, and therefore cannot be attributed solely to CBAM.

## Scope of assessment

The analysis covers the six Western Balkan Contracting Parties (WB6), Albania, Bosnia and Herzegovina, Kosovo*, [1] Montenegro, North Macedonia, and Serbia, and the neighbouring EU Member States, Bulgaria, Croatia, Greece, Hungary, Italy, and Romania.

Moldova and Ukraine are not included in the comparative market analysis because of limited data availability. Scheduled exchanges however, between Hungary and Ukraine are used as relevant information when describing regional trading patterns. Georgia is outside the market analysis because it has no interconnection with the markets covered.

The assessment has been broadened compared to the previous edition to include load data and now covers electricity generation and load, day-ahead prices, price spreads and correlation, cross-border capacity and daily auctions, scheduled commercial exchanges and the WB6 net scheduled position, physical flows, traded volumes on the

[1] Throughout this report, this designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo* declaration of independence.

Western Balkan power exchanges, and the quarterly CBAM certificate price and indicative CBAM costs.[2]

Q3 2026 is compared mainly with the previous quarter and with Q3 2025. Generation and load are compared year on year because of their strong seasonal pattern. January to September 2026 comparisons are used only where they add analytical value.



[2] Generation, load, day-ahead prices, scheduled exchanges, physical flows and NTC are based on the ENTSO-E Transparency Platform. Daily auction results are taken from JAO, SEE CAO and Transelectrica DAMAS. The EU ETS benchmark is based on EEX primary auction results, while the CBAM certificate price and electricity default values are taken from European Commission publications. Power-exchange volumes are based on reports from ALPEX, MEMO, MEPX and SEEPEX. All indicators were calculated by the Secretariat from a single data extraction, so that figures are consistent across the report. Later revisions at the source are not reflected.

## Highlights

01. The Western Balkan markets became relatively cheaper than those of neighbouring EU Member States. Compared with Q3 2025, prices rose more in every neighbouring EU market than in any Western Balkan bidding zone. In Q3 2026, all Western Balkan zones were priced below Italy, Hungary, Romania, and Croatia, while Bulgaria and Greece had price levels similar to their Contracting Party neighbours. The different developments coincided with different supply and demand conditions on the EU side, such as higher demand and gas-fired generation in Italy and lower nuclear output in Romania.

02. Western Balkan prices became more closely correlated with Hungarian prices, but significant price spreads with EU markets persisted. Over Q3 2026, correlation with the Hungarian price was higher than in Q2 in most Contracting Parties. At the same time, price spreads above EUR 20/MWh occurred in 54% of hours across the WB6–EU borders, compared with 44% in Q2 and 22% in Q3 2025. Separation was largest in September.

03. Scheduled exchanges between the WB6 and the EU recovered only partially, increasing by 8.6% compared with Q2 2026 but remaining 14.3% below Q3 2025 levels. The increase since Q2 was driven mainly by higher imports into the WB6, which remained a net importer.

04. Wider price spreads did not translate into higher exports to the EU overall. Scheduled exports from the WB6 to the EU were 17% lower than in Q3 2025. Montenegro to Italy was the main exception, with exports up by around 80% and offered capacity almost fully allocated. Scheduled exports from Serbia to Hungary fell by 21.6%.

05. Trading on the WB6 power exchanges kept growing. Day-ahead traded volumes rose on all four exchanges. Compared with the same quarter of 2025, growth increased from 19.4% in Q2 to 26.7% in Q3 2026, indicating a continued improvement of market liquidity.

06. The official CBAM certificate price rose to EUR 82.32/t$CO_2$eq, 9.4% higher than in Q2. On every border with a non-zero default value, the indicative CBAM cost per MWh exceeded the average price advantage of the Contracting Party. Yet scheduled exports increased sharply on Montenegro–Italy. This indicates that commercial outcomes depend on more than the price spread and the CBAM cost.

## Detailed observations and potential implications

Q3 2026 is the third quarter of CBAM's definitive period. Price spreads between the Western Balkans and the neighbouring EU markets widened again, but cross-border commercial responses were increasingly corridor-specific. The observations below describe the main findings.

1. *Prices rose more on the EU side than in the Western Balkans compared with Q3 2025*

Day-ahead prices rose substantially in every observed zone. Compared with the previous quarter, the increase was not systematically larger on the EU side. However, compared with Q3 2025, every neighbouring EU market recorded a larger increase than the observed Western Balkan bidding zones. As a result, all Western Balkan bidding zones were priced below Italy, Hungary, Romania, and Croatia in Q3 2026. In Q3 2025, Albania, Kosovo* and Montenegro had been priced above several of these markets. Supply and demand conditions also differed across the region. On the EU side, the largest changes were in Italy, where higher demand coincided with a sharp increase in gas-fired generation, and in Romania, where nuclear output fell sharply. In the Western Balkans, load was 4.7% higher than in Q3 2025, while generation developed differently across Contracting Parties. These different conditions coincided with larger price increases on the EU side. The available data do not allow the effect of each factor to be separated.

2. *Price spreads widened again after Q2 2026, while prices moved more closely with the Hungarian benchmark*

Across the eight WB6–EU price pairs, the absolute price spread in Q3 2026 exceeded EUR 20/MWh[3] in 53.9% of hours[4], compared with 43.5% in Q2 and 21.7% in Q3 2025. In September alone, the share reached 63.0%. This shows that although the quarterly average price spread remained below EUR 20/MWh on every pair except Montenegro–Italy, hourly spreads exceeded this level in more than half of hours.

[3] The 20 EUR/MWh benchmark is introduced in this edition by the Energy Community Secretariat to capture the developments in price movements and to flag volatility during the quarter, which could not be captured in the average quarterly price spread indicator.

[4] Share of all hours on the eight WB6–EU price pairs in which both day-ahead prices were available. Each hour on each pair is counted separately.

Over Q3 2026, the 30-day correlation with the Hungarian day-ahead price was on average higher than in Q2 in Albania, Kosovo*, North Macedonia and Serbia, and unchanged in Montenegro. Serbia remained the most closely correlated market, with an average of 0.87, and did not fall below 0.80 during the quarter. Correlation weakened towards the end of September in Serbia, Montenegro, and North Macedonia. Higher correlation means that prices moved up and down together more closely. It does not mean that price levels converged. In Q3, price spreads to the EU widened at the same time.

*3. Scheduled exchange remained below 2025, while corridor responses diverged*

Gross scheduled exchange between the WB6 and the EU was 8.6% higher than in Q2 but 14.3% lower than in Q3 2025. Over January to September 2026, it was 17.8% lower than in January–September 2025, and each quarter of 2026 remained below the same quarter of 2025. The WB6 remained a net scheduled importer, close to its Q3 2025 position. The increase compared with Q2 2026 was concentrated on a few corridors. Scheduled exports from Montenegro to Italy increased sharply, while exports from Serbia to Hungary declined despite a wider price spread. The decline in Serbia to Hungary coincided with weaker scheduled exports from Hungary to Ukraine. A wider price spread therefore did not automatically translate into higher scheduled exports.

*4. Organised day-ahead trading continued to grow*

Day-ahead traded volumes on the four Western Balkans power exchanges reached about 2.97 TWh, 10.2% more than in the previous quarter and 26.7% more than in Q3 2025. Volumes increased on all four exchanges, extending the growth already observed in Q2 2026. This occurred while gross scheduled exchanges between the WB6 and the EU remained below Q3 2025, and the region remained a net scheduled importer. The contrast shows that weaker cross-border commercial exchanges with the EU did not translate into lower organised market activity within the Western Balkans. Instead, spot-market trading continued to expand. Higher demand explains only part of this increase. Load in the markets with a power exchange was around 4.5% higher than in Q3 2025, much less than the 26.7% growth in traded volumes. Volumes traded on the exchanges were equivalent to around 23% of load in these markets, compared with around 19% in Q3 2025. This indicates a continuing increase in market liquidity. The available data do

not show whether this growth reflects a shift from bilateral trading, increased market participation or other changes in trading behaviour.

The first three quarters of 2026 show that electricity market conditions have not returned to the patterns observed in 2025. Compared with Q3 2025, prices rose more in every neighbouring EU market than in the Western Balkan bidding zones. Price spreads widened again after the easing seen in Q2 and were most pronounced in September. Western Balkan prices moved more closely with the Hungarian price, but their levels did not converge. Season-specific developments continue to shape scheduled exchanges.

The Q4 monitoring will show whether the wider price separation observed in September continues into the winter and whether the level of scheduled exchanges between the EU and the WB6 moves back towards 2025 levels. In the next edition of the report the data covering 2026 as a whole will provide additional insights into developments in 2026 in comparison to 2025.

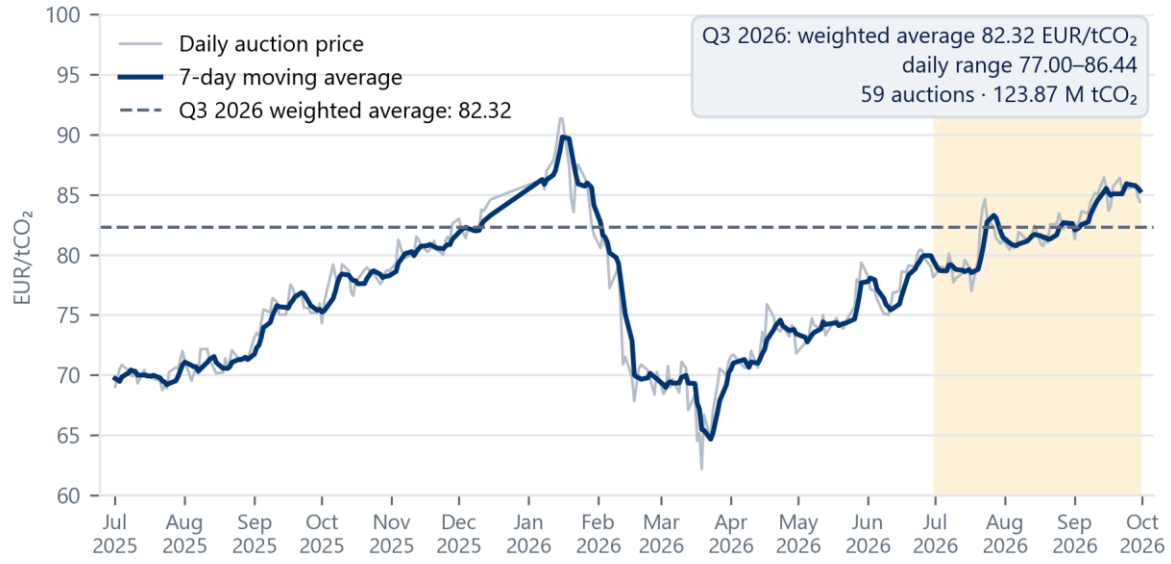
## Financial impact: EU ETS price and CBAM cost

The official CBAM certificate price for Q3 2026 was EUR 82.32/$tCO_{2eq}$,[5] 9.4% higher than in the previous quarter. Following the relative stability in the EU ETS allowance prices of Q1 and Q2 at EUR 75.36/$tCO_{2eq}$ and EUR 75.28/$tCO_{2eq}$ respectively, the latest increase put additional costs on the electricity imported from Contracting Parties to the EU throughout Q3 2026.

At the same time, the EEX volume-weighted primary auction price has been showing a steady increase starting from April 2026, following a radical drop at the beginning of 2026, therefore the current price level is a result of a continuous trend rather than abrupt changes. Daily auction prices ranged from EUR 77.00/$tCO_{2eq}$ to EUR 86.44/$tCO_{2eq}$ within Q3.

### Figure 1. Primary EU ETS auction price (EEX)

*Volume-weighted mean of EEX primary auction clearing prices · shaded band = reporting window (Q3 2026, 1 July–30 September)*




*Source: European Energy Exchange (EEX) primary auctions. Aggregated by the Energy Community Secretariat.*

[5] European Commission, Price of CBAM certificates, 5 October 2026. The Commission calculates the quarterly certificate price as the average of EU ETS auction clearing prices during the quarter. The price is published only after the quarter ends and was therefore not known at the time when the electricity was imported.

Using the default values established for electricity imports,[6] the table below shows the indicative CBAM cost per imported MWh in Q2 and Q3 2026. The increase in Q3 fully stems from the higher EU ETS allowance price.

| Origin of imported electricity | Default value ($tCO_{2eq}$/MWh) | CBAM cost per imported MWh, Q2 2026 (EUR) | CBAM cost per imported MWh, Q3 2026 (EUR) |
|---|---|---|---|
| Albania | 0 | 0 | 0 |
| Bosnia and Herzegovina | 1.148 | 86.421 | 94.503 |
| Kosovo* | 0.984 | 74.076 | 81.003 |
| Moldova | 0.530 | 39.898 | 43.630 |
| Montenegro | 0.979 | 73.699 | 80.591 |
| North Macedonia | 0.887 | 66.773 | 73.018 |
| Serbia | 1.041 | 78.366 | 85.695 |
| Ukraine | 0.907 | 68.279 | 74.664 |

*Note: Default value × CBAM certificate price (Q2 2026: EUR 75.28/$tCO_{2eq}$, Q3 2026: EUR 82.32/$tCO_{2eq}$). The costs are indicative and use default values. Actual embedded emissions may be used instead only where the conditions set out in Annex IV of the CBAM Regulation are fulfilled.*

For every Contracting Party with a non-zero default value, the indicative CBAM cost per MWh was higher than its average price advantage over its EU neighbours. The largest average price advantage, around EUR 39/MWh on Montenegro–Italy, was about half of the corresponding indicative CBAM cost of around EUR 81/MWh.

[6] Commission Implementing Regulation (EU) 2025/2621 laying down rules for the application of Regulation (EU) 2023/956 of the European Parliament and of the Council as regards the establishment of default values.

# Electricity generation and market prices in Q3 2026

## Generation mix

Electricity generation in the neighbouring EU Member States reached 111.94 TWh in Q3 2026, which was 7.6%[7] more than in Q3 2025. In comparison, generation in the WB6 totalled 14.02 TWh in the same period[8]. In the EU markets the increase materialised in, strong solar and natural (fossil) gas-fired production and it was combined with lower hydro and nuclear output. However, mixed developments were visible across the Western Balkans.

In the six neighbouring EU markets, generation based on natural (fossil) gas reached 42.40 TWh, 18.9% more than in Q3 2025. Italy alone drove the increase, while gas-fired generation actually decreased in Greece and Hungary. Hydro generation fell by 12.0%, while nuclear output declined by 20.9%, mainly due to lower generation in Romania and Hungary also linked to low river levels. Solar generation increased by 21.2%, with higher output in every single neighbouring EU market.[9] Coal and lignite output was 11.1% higher, led by Bulgaria, while wind generation fell by 4.8%, mainly due to lower output in Italy.

Total electricity production in the neighbouring EU markets increased by 5.2% year-on-year over the period January to September. The increase in renewable generation reached 7.2%.

In the Western Balkans, generation developments differed across Contracting Parties. Serbia remained the largest producer at 7.16 TWh, but total generation was 8.2% lower than in Q3 2025, with lower output from coal, lignite, and hydro. Generation increased in Bosnia and Herzegovina by 8.0%, supported by higher coal-based and hydro generation, while Kosovo* recorded a 10.1% increase, driven by higher lignite output. Montenegro

[7] Year-on-year changes in generation compare only production types reported in both periods. Production types reported in only one of the two periods are excluded.

[8] A year-on-year change for the WB6 total cannot be calculated on a comparable basis because Albania changed its generation reporting basis between Q3 2025 and Q3 2026.

[9] Renewable generation in the neighbouring EU markets was 4.2% higher overall, with the additional solar output more than offsetting lower hydro, wind, and biomass output.

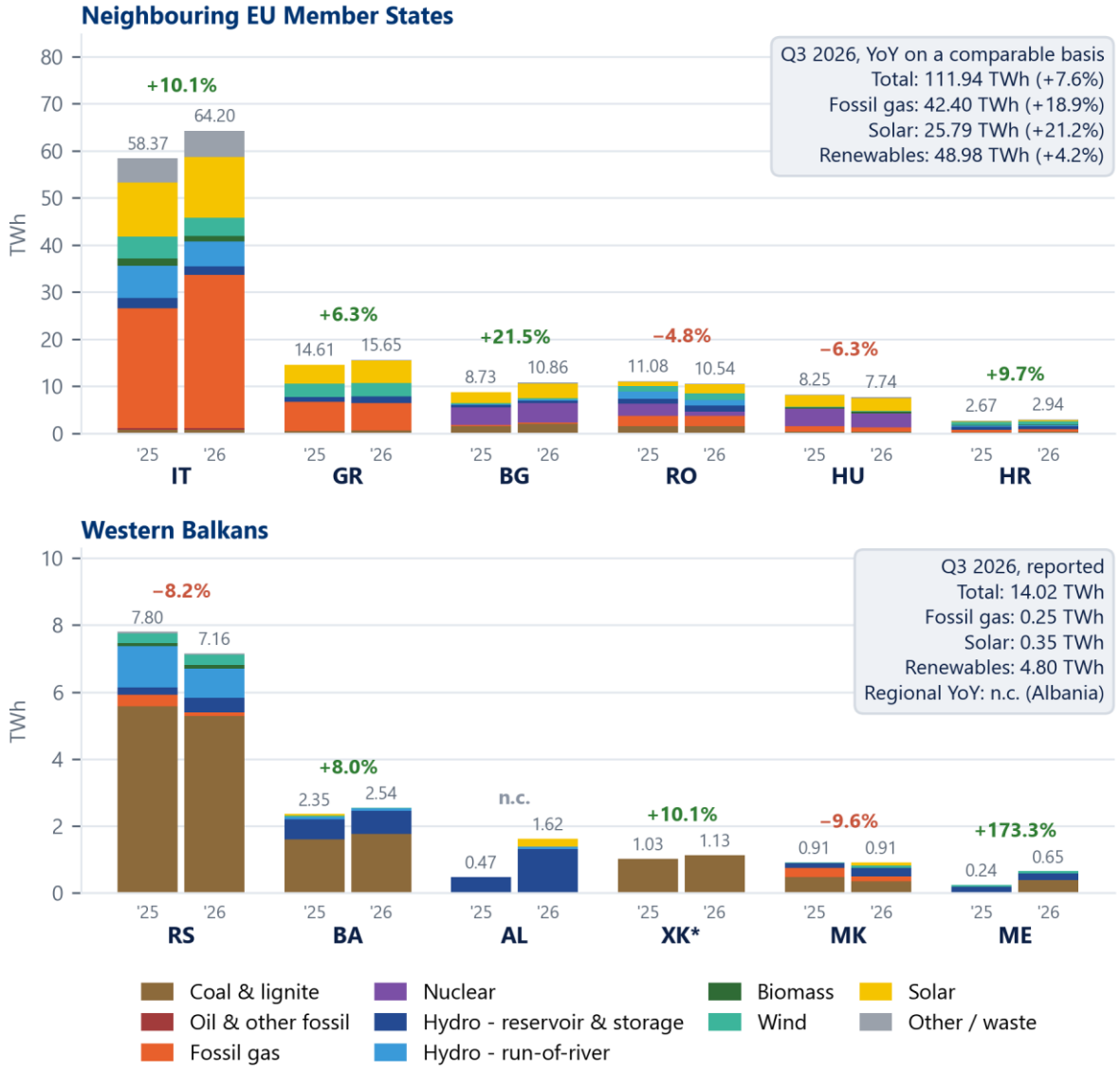
generated 0.65 TWh, 2.7 times the Q3 2025 level, following the return of lignite generation from a zero base, after the completion of the technical works at the Pljevlja thermal power plant in December 2025.[10] In North Macedonia, generation was 9.6% lower on a comparable basis, excluding the solar generation series, which is available only from June 2026. Coal-fired and gas-fired output declined, while hydro generation increased.



[10] Montenegro's Pljevlja thermal power plant was offline between April and December 2025 due to the ongoing environmental refurbishment.

## Figure 2. Electricity generation mix

*Generation by production type in TWh · neighbouring EU Member States and Western Balkans on separate scales · each country: left bar = Q3 2025, right bar = Q3 2026 (1 July–30 September)*




*Note: Bars show generation as reported by ENTSO-E. Year-on-year changes are calculated on a comparable reporting basis, which excludes series reported in only one of the two periods. n.c. = not comparable. For Albania, the reporting basis differs between the two periods, so no change is shown for Albania or for the Western Balkans as a whole. North Macedonia has published solar generation data since June 2026. Solar is included in the Q3 2026 bar but excluded from the year-on-year change, as no data are available for Q3 2025. Distribution-connected generation in the Western Balkans is largely unreported. Source: ENTSO-E Transparency Platform, Actual Generation per Production Type. Aggregated by the Energy Community Secretariat.*

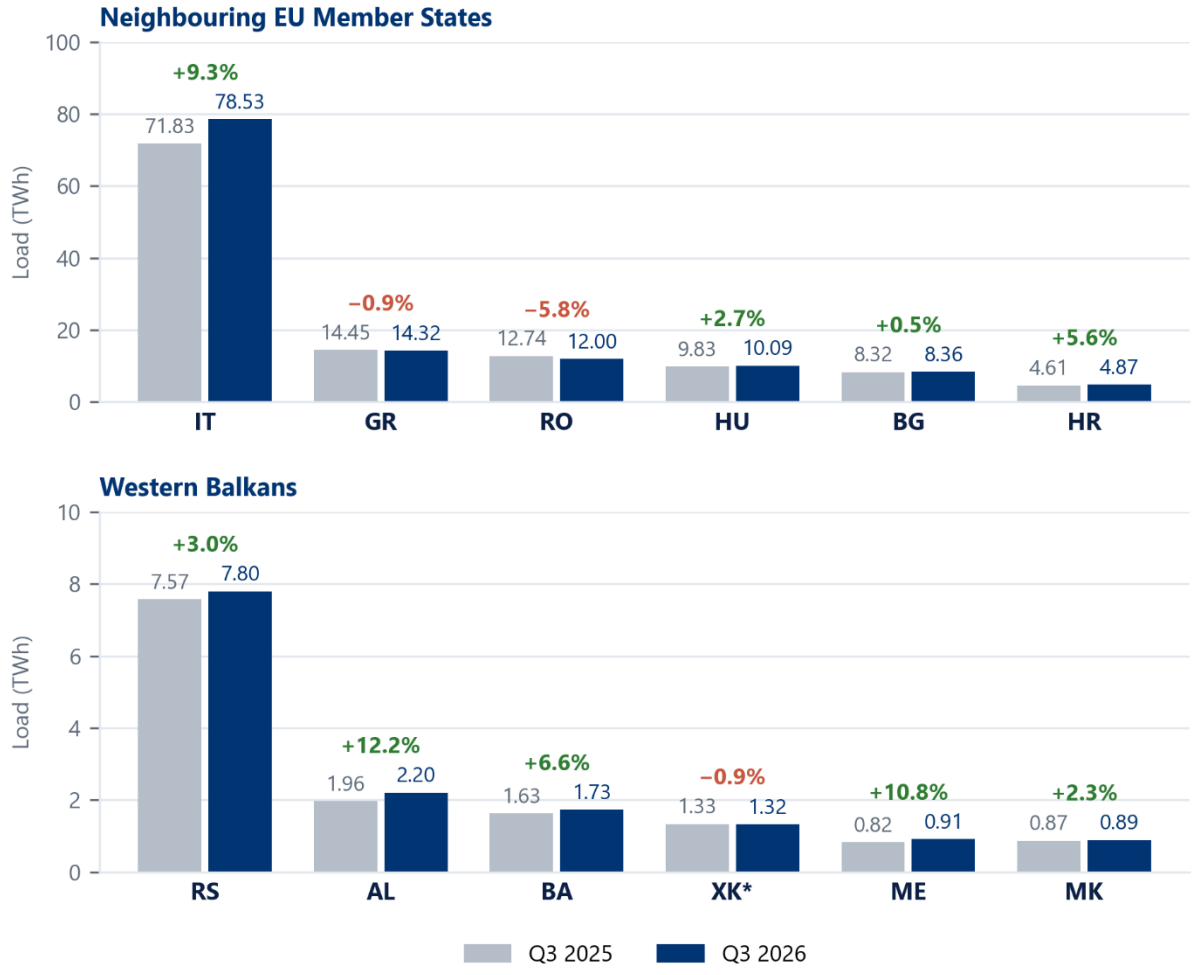
## Electricity load

In the six neighbouring EU markets, the total load reached 128.18 TWh in Q3 2026, or 5.3% more than a year earlier. The increase was driven by Italy, where load was 9.3% higher than in 2025. Excluding Italy, load across the other five neighbouring EU markets was broadly unchanged, at 0.6% below Q3 2025. Load fell in Romania (−0.74 TWh) and Greece (−0.12 TWh), but rose in Croatia (+0.26 TWh), Hungary (+0.27 TWh) and Bulgaria (+0.04 TWh). The decline in Romania alone was larger than the combined increase in the other markets. In Romania, lower load coincided with substantially lower nuclear generation. This indicates that changes in domestic demand alone do not explain the stronger increase in EU-side prices.

In the Western Balkans, reported load was 14.85 TWh, 4.7% higher than in Q3 2025. The largest increases were recorded in Albania, Montenegro and to a lesser extent in Bosnia and Herzegovina. Load in Serbia and North Macedonia climbed only moderately, while in Kosovo* it was broadly unchanged.

## Figure 3. Reported electricity load by country

*Q3 2026 vs Q3 2025 · ENTSO-E Actual Total Load · TWh*




*Note: Values are shown as reported, without interpolation. Source: ENTSO-E Actual Total Load. Aggregated by the Energy Community Secretariat.*

## Day-ahead price developments

### Figure 4. Average day-ahead prices by bidding zone

*Q3 2026, Q2 2026 and Q3 2025 · EUR/MWh*

| | Q3 2026 | Q2 2026 | Q3 2025 |
|---|---|---|---|
| IT | 180.8 | 120.9 | 111.9 |
| HU | 150.8 | 109.2 | 94.9 |
| RO | 148.9 | 109.4 | 92.9 |
| HR | 147.5 | 103.3 | 92.4 |
| AL | 142.0 | 88.6 | 117.3 |
| ME | 141.6 | 93.6 | 113.6 |
| XK* | 140.9 | 89.0 | 117.1 |
| BG | 140.1 | 96.8 | 90.2 |
| GR | 133.0 | 90.2 | 88.8 |
| RS | 131.8 | 96.3 | 93.7 |
| MK | 131.0 | 90.8 | 92.0 |




*Note: Bosnia and Herzegovina does not yet operate a day-ahead market. Albania and Kosovo* form the coupled ALPEX market. Italy refers to the Centre-South bidding zone. The Albanian price for 14 September 2026 was not published at the source, so the Albanian Q3 average covers 2,184 of 2,208 hours. Source: ENTSO-E day-ahead prices. Aggregated by the Energy Community Secretariat.*

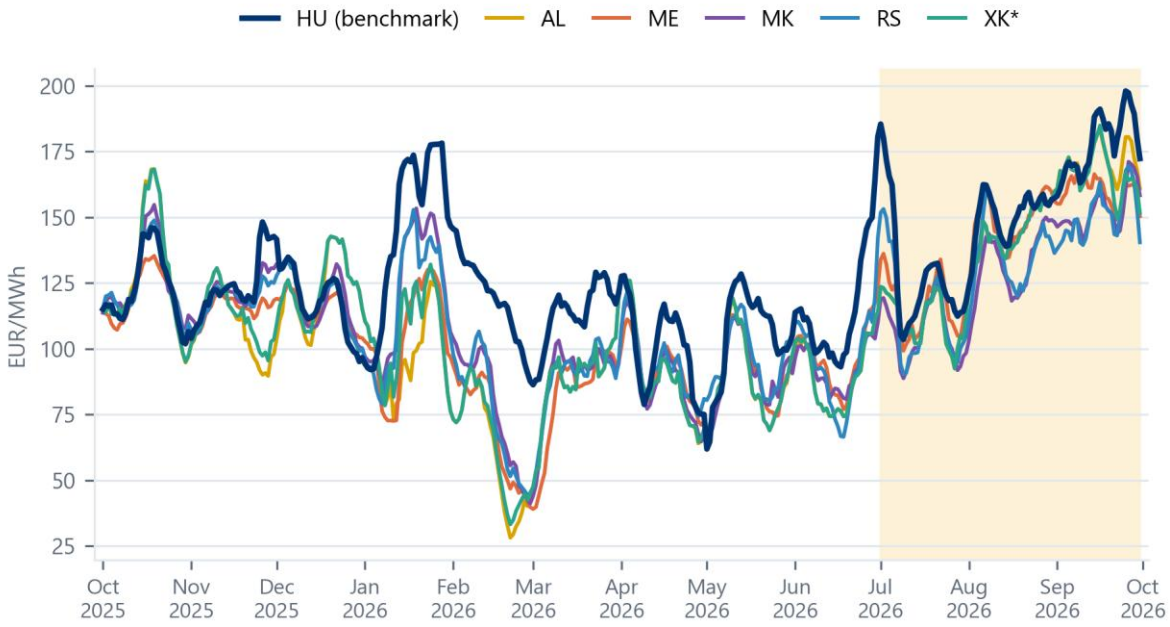
Day-ahead prices increased sharply in every observed bidding zone in Q3 2026. Compared with Q2, the increase was not systematically larger on the EU side. Prices in the Western Balkans increased by between EUR 35.5/MWh in Serbia and EUR 53.4/MWh in Albania, while the increase in the neighbouring EU zones ranged from EUR 39.5/MWh in Romania to EUR 59.9/MWh in Italy.

However, the year-on-year comparison shows a clearer divergence. Compared with Q3 2025, every neighbouring EU market recorded a larger price increase than any observed Western Balkan bidding zone. The smallest increase among the neighbouring EU markets was in Greece, at EUR 44.2/MWh, while the largest increase in the Western Balkans was in North Macedonia, at EUR 38.9/MWh.

This changed the regional price pattern. In Q3 2025, Albania, Kosovo* and Montenegro were priced above several neighbouring EU markets. In Q3 2026, all observed Western Balkan bidding zones were priced below Italy, Hungary, Romania, and Croatia.

Figure 5. Daily day-ahead prices: HU benchmark vs Western Balkans

*7-day moving average of daily average prices · shaded band = reporting window (Q3 2026) · EUR/MWh*




*Source: ENTSO-E day-ahead prices. Aggregated by the Energy Community Secretariat.*

Prices increased through the quarter and September was the highest-priced month. Over January to September 2026, average prices remained below the same period of 2025 in Albania, Kosovo* and Montenegro, while they were slightly higher in Serbia and North Macedonia. In all neighbouring EU zones, average prices were higher than a year earlier.

## Cross-border capacity allocation

Cross-border capacity conditions differed markedly across the main WB6–EU corridors in Q3 2026. Allocation rates remained close to 100% of the capacity offered in daily

auctions on several directions, while auction prices[11] and congestion income varied substantially.

Total congestion income from daily auctions on the WB6–EU borders reached EUR 43.8 million in Q3 2026, up from EUR 36.4 million in Q2 2026 and EUR 21.6 million in Q3 2025. Over January to September 2026, it reached EUR 114.1 million, compared with EUR 62.2 million in January to September 2025.

Two corridors are examined in more detail because their capacity conditions developed in contrasting ways. On Montenegro–Italy, scheduled exports increased sharply and offered capacity was almost fully allocated. On Serbia–Hungary, offered capacity was substantially lower, but the auction price for this direction also fell, and scheduled exports declined further.

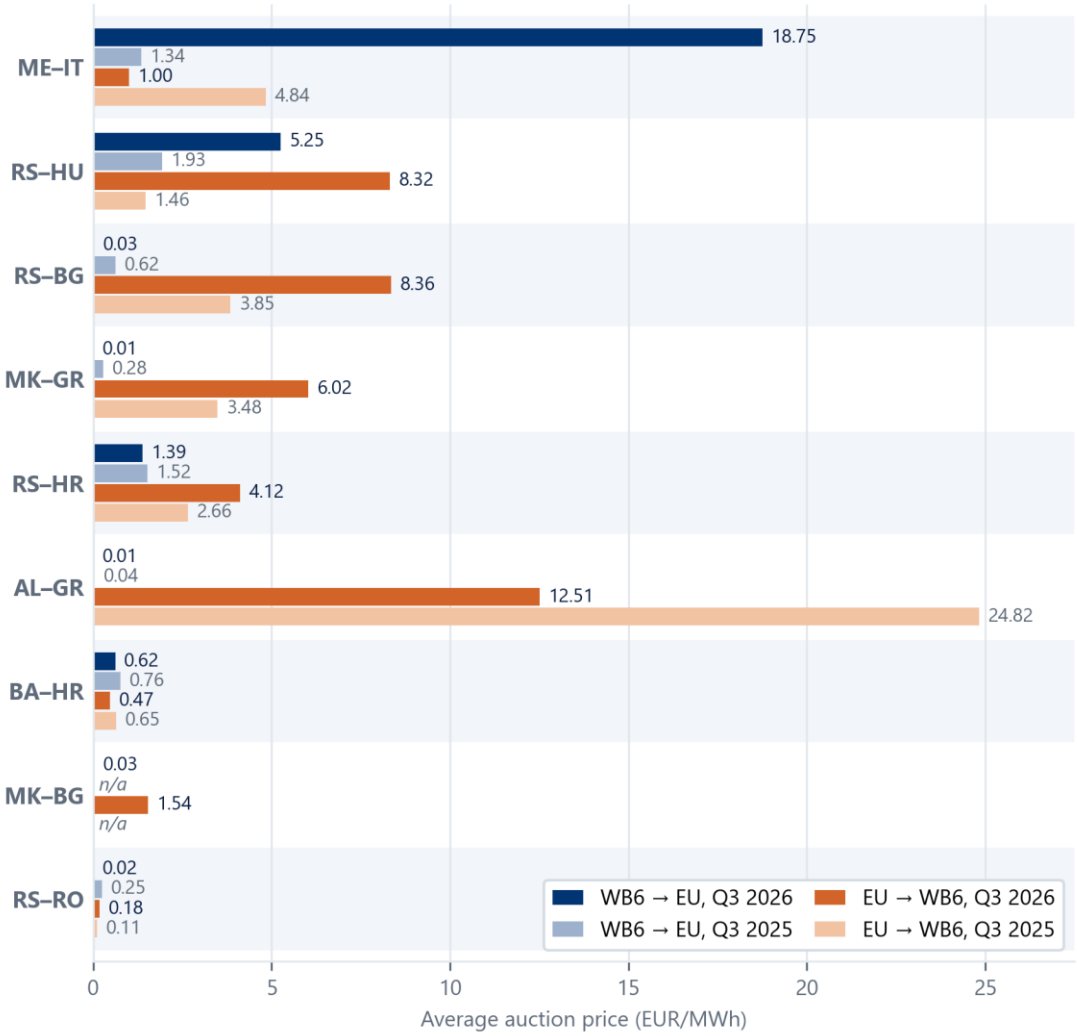
In the Montenegro to Italy direction, the average daily auction price reached EUR 18.75/MWh, compared with EUR 8.64/MWh in Q2 and EUR 1.34/MWh in Q3 2025. Average offered capacity during auctioned hours was about 474 MW, and 99.7% of the offered capacity was allocated. Congestion income in this direction reached EUR 15.9 million, more than a third (36%) of the total congestion income realised across all WB6-EU borders in Q3 2026. Capacity was offered in 88.5% of the hours in the quarter, but in only 67% of the hours in September.

On the Serbia–Hungary direction, the picture was different. Average capacity offered in daily auctions from Serbia to Hungary was about 322 MW, down from around 392 MW in Q2 and from 695 MW in Q3 2025. Average day-ahead NTC in this direction was 405 MW, compared with 634 MW in Q3 2025. The average auction price for Serbia to Hungary was EUR 5.25/MWh, while the price in the opposite direction reached EUR 8.32/MWh. Despite the lower offered capacity, the auction price for Serbia-Hungary fell compared to Q2. This suggests that the offered capacity was broadly sufficient to meet the demand for export capacity.

[11] Auction prices indicate the value attached to scarce cross-border capacity and do not measure scheduled exchange volumes.

## Figure 6. Average daily-auction prices on WB6–EU borders

*Daily cross-border capacity auctions · average clearing price per direction, Q3 2026 and Q3 2025 · EUR/MWh*




*Note: n/a: no daily explicit-auction price series for that direction in Q3 2025. Source: JAO, SEE CAO and Transelectrica DAMAS daily auction results. Aggregated by the Energy Community Secretariat.*

Several import directions into the Western Balkans also cleared at relatively high auction prices, most notably Greece to Albania, Bulgaria to Serbia and Hungary to Serbia. Five export directions from the Western Balkans cleared at very low prices, at or below EUR 0.03/MWh: Albania to Greece, North Macedonia to Bulgaria, North Macedonia to Greece, Serbia to Bulgaria and Serbia to Romania.

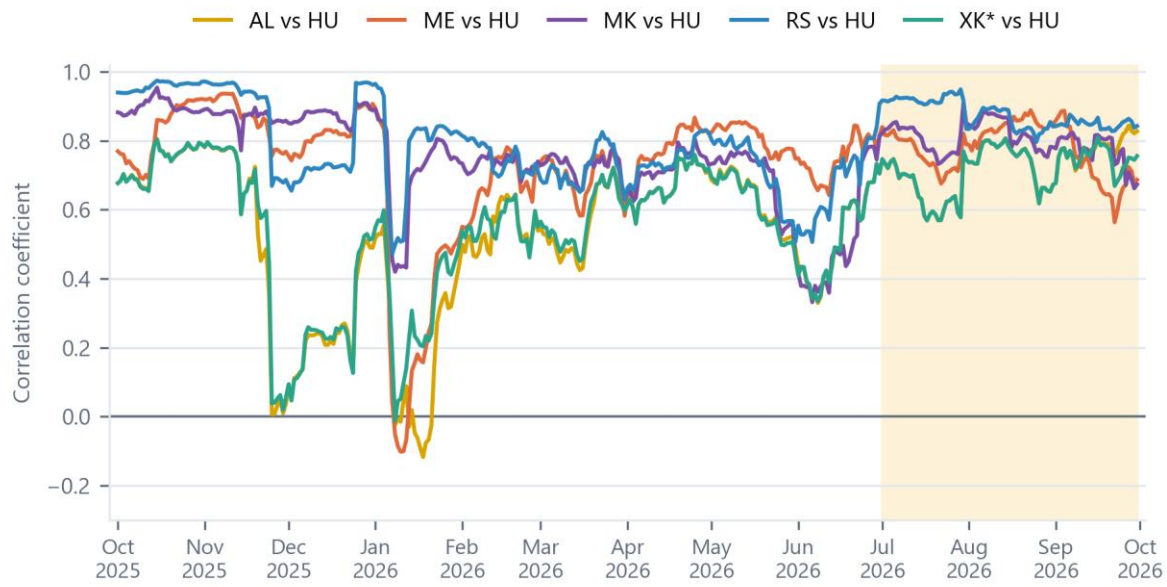
# Market analysis

## Price correlation

The rolling 30-day correlation with the Hungarian day-ahead price shows how closely prices moved together. It does not measure whether price levels converged.

### Figure 7. Rolling 30-day price correlation to HU

*Correlation of daily day-ahead prices with the Hungarian price · shaded band = reporting window (Q3 2026)*




*Source: ENTSO-E day-ahead prices. Aggregated by the Energy Community Secretariat.*

At the end of Q3 2026, correlation with the Hungarian benchmark was highest in Serbia at 0.84 and Albania at 0.83. Kosovo* followed at 0.76, while Montenegro and North Macedonia were lower at 0.69 and 0.67.

Over Q3 as a whole, average correlation was higher than in Q2 in all Contracting Parties except Montenegro, where it was unchanged. Serbia had the highest average, at 0.87, and did not fall below 0.80 during the quarter. Correlation weakened towards the end of September in Serbia, Montenegro, and North Macedonia. As a result, their end-of-quarter values were lower than at the end of Q2, while the values for Albania and Kosovo* were higher.

Serbia remained strongly correlated with Hungary while its average price stayed materially lower, as shown by the price-spread analysis below.

## Directional price spreads

Price spreads between the Western Balkans and neighbouring EU markets increased again in Q3 2026 after having narrowed in Q2. The widest average spread remained at Montenegro–Italy, at around EUR 39/MWh in favour of Montenegro, which is closer to the EUR 44/MWh value observed in Q1 than to the previous quarter. Montenegro was cheaper than Italy in almost nine out of ten hours. Unlike in Q1, when the price spread was similarly wide, this coincided with much higher scheduled exports to Italy (984 GWh against 628 GWh in Q1).

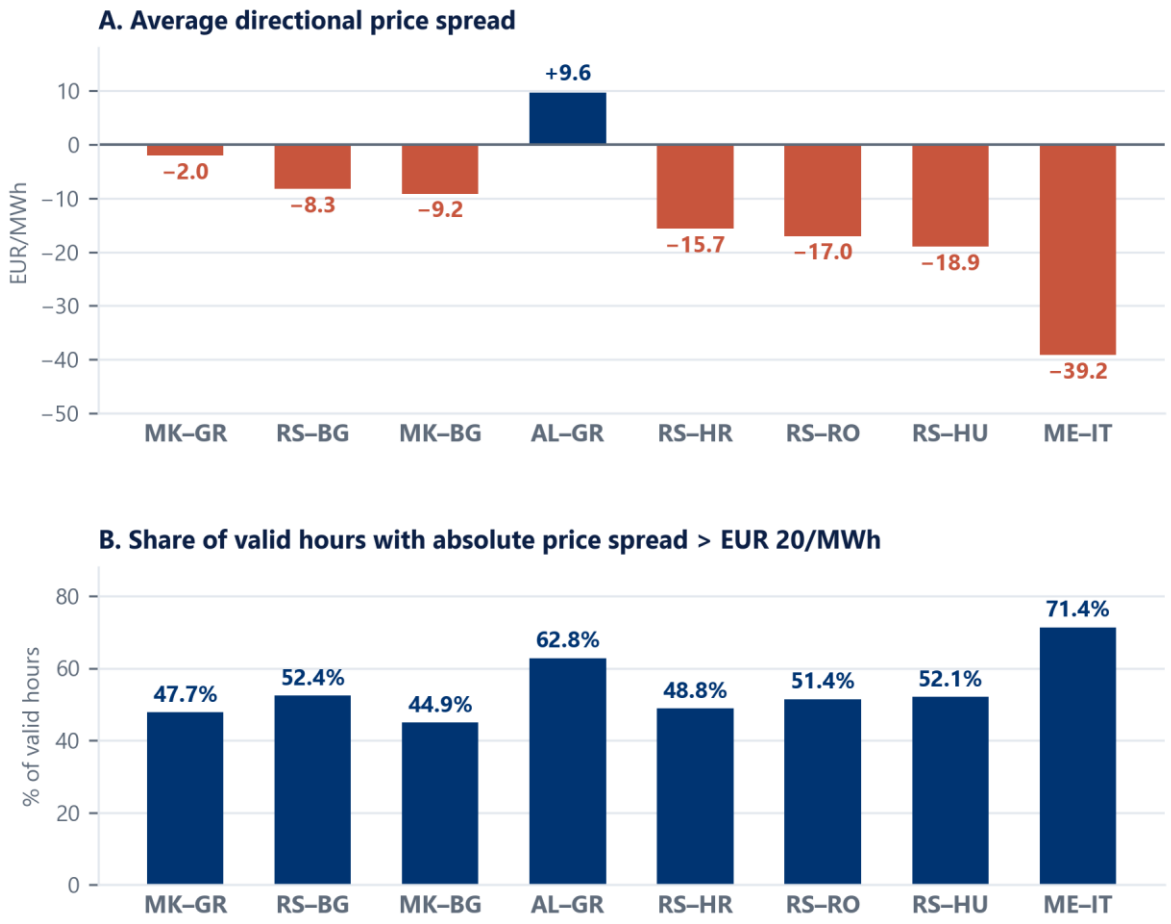
Price spreads also widened on all Serbian borders. Serbia was on average EUR 18.9/MWh cheaper than Hungary, EUR 17.0/MWh cheaper than Romania, EUR 15.7/MWh cheaper than Croatia and EUR 8.3/MWh cheaper than Bulgaria. The widening was persistent across the quarter and became more pronounced in September, yet the value of capacities exporting from Serbia to the above Member States was lower in each case than the value of capacities in the import directions into Serbia.

Two borders showed a different pattern. North Macedonia and Greece were close to parity on average, but the absolute price spread still exceeded EUR 20/MWh in 47.7% of hours. Albania was on average EUR 9.6/MWh more expensive than Greece, although hourly prices moved in both directions. A small quarterly average price spread therefore does not necessarily indicate continuous price convergence.

Hourly price spreads appeared in multiple borders rather than just a single corridor. The absolute price spread exceeded the EUR 20/MWh analytical threshold in more than half of hours on five of the eight WB6–EU price pairs. Across all eight pairs, the share of hours exceeding the EUR 20/MWh indicator was 53.9%, compared with 43.5% in Q2 and 21.7% in Q3 2025. It reached 63.0% alone in September and 51.7% over the period January to September 2026, compared with 23.9% in the same period of 2025.

## Figure 8. Directional day-ahead price spreads

*Q3 2026 (1 July–30 September, UTC) · spread = Contracting Party price minus EU neighbour price*




*Note: Pairs ordered from the smallest to the largest absolute average spread. Negative values: Contracting Party cheaper. Positive values: Contracting Party more expensive. Italy refers to the Centre-South bidding zone. EUR 20/MWh is an analytical threshold used to identify material hourly price separation, not a regulatory threshold. Source: ENTSO-E day-ahead prices. Aggregated by the Energy Community Secretariat.*

A price spread towards the EU is not in itself evidence of a CBAM effect. Price differences also reflect generation, demand and available cross-border capacity.

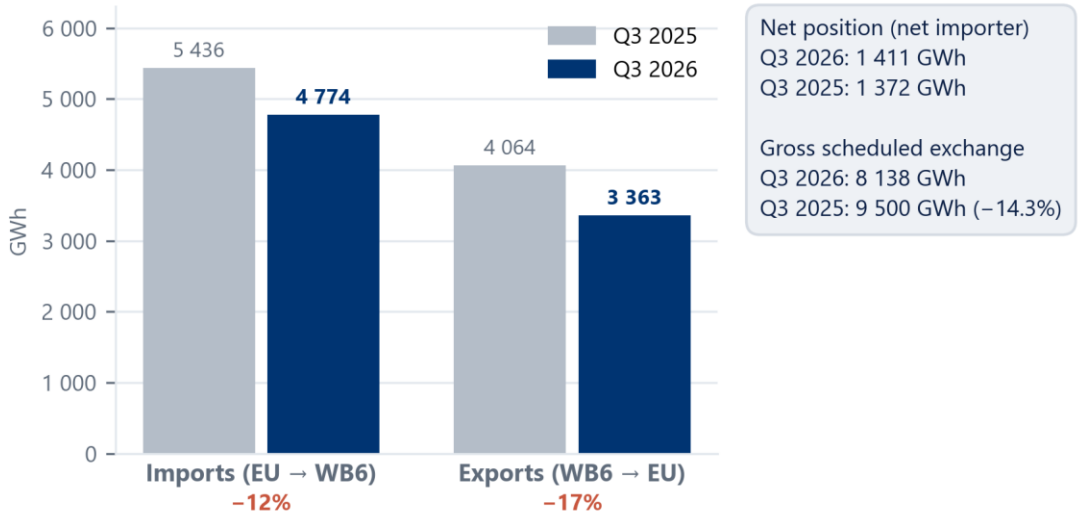
## Scheduled commercial exchanges and net trade position

Scheduled exchanges represent commercial schedules between bidding zones and should not be interpreted as physical flows or transit.

Gross scheduled exchange between the WB6 and the EU reached 8,138 GWh in Q3 2026. This was 8.6% more than in the previous quarter but 14.3% less than in Q3 2025. Scheduled exports from the WB6 to the EU totalled 3,363 GWh, 17.2% less than in Q3 2025. Scheduled imports from the EU reached 4,774 GWh, 12.2% less than in Q3 2025.

### Figure 9. WB6–EU scheduled commercial electricity exchanges

*Total scheduled commercial exchanges across all WB6–EU borders, with net trade position · Q3 2026 vs Q3 2025 · GWh*




*Source: ENTSO-E scheduled commercial exchanges. Aggregated by the Energy Community Secretariat.*

The WB6 therefore remained a net scheduled importer, at 1,411 GWh. This was close to the Q3 2025 net import position of 1,372 GWh, despite materially lower gross exchange. The recovery from the previous quarter came mainly from higher imports.

Over January to September 2026, gross scheduled exchange reached 23,703 GWh, 17.8% less than in the same period of 2025. The cumulative net import position was also lower, at 1,212 GWh compared with 2,987 GWh, reflecting the net export position recorded in Q1 2026.

Spotlight: Traded volumes on the Western Balkan power exchanges

Day-ahead traded volumes on ALPEX, MEMO, MEPX and SEEPEX reached about 2.97 TWh in Q3 2026, 10.2% more than in the previous quarter and 26.7% more than in Q3 2025. Growth can be observed across all four exchanges. ALPEX and MEMO recorded the largest year-on-year increases, at 46.2% and 45.3%, followed by MEPX at 34.4% and SEEPEX at 14.9%.

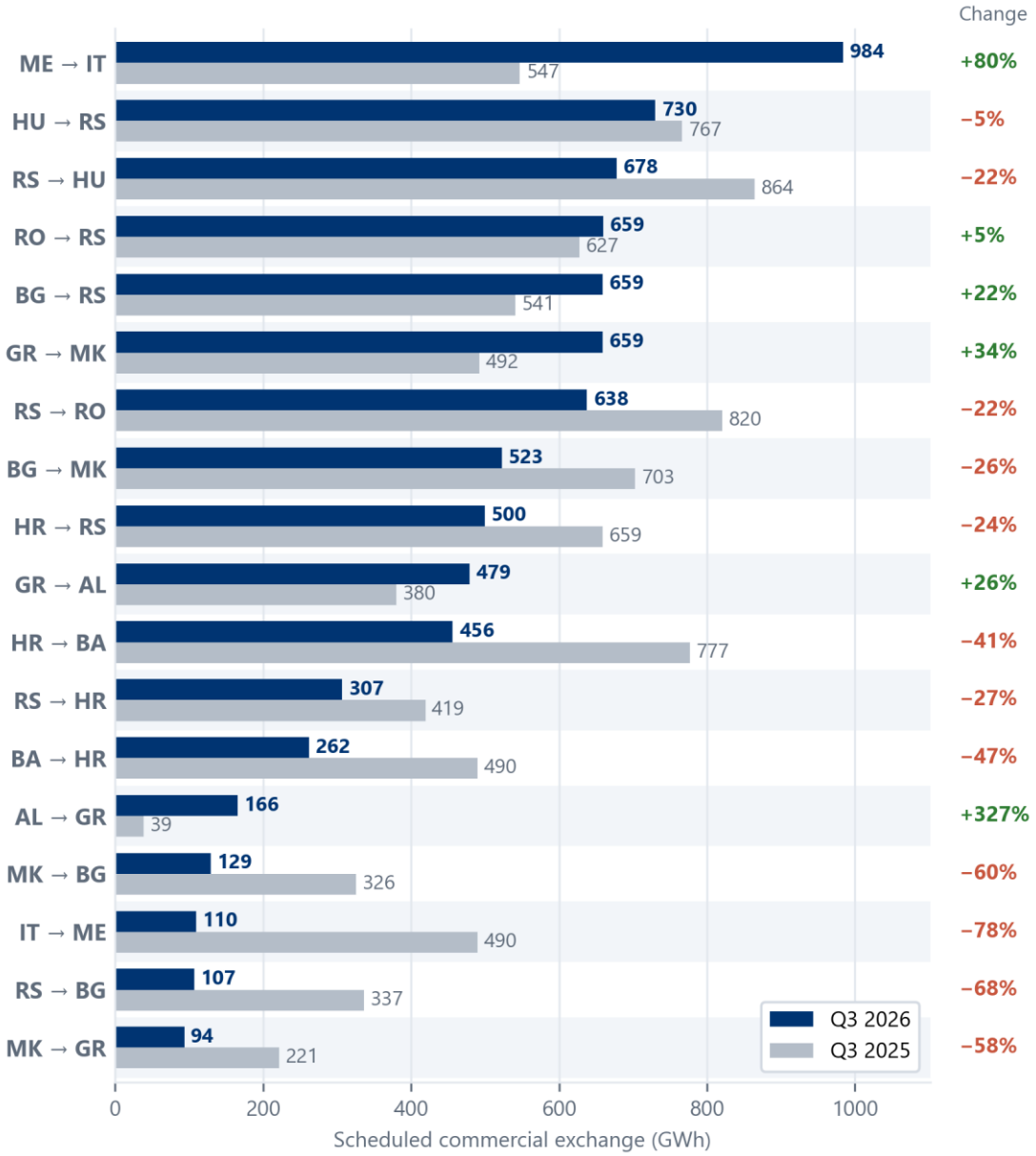
The continued growth in organised day-ahead trading contrasts with gross scheduled exchange between the WB6 and the EU, which remained below Q3 2025. This indicates that weaker cross-border commercial exchange did not translate into lower organised market activity within the Western Balkans. Year-on-year growth accelerated from 19.4% in Q2 to 26.7% in Q3 2026. Traded volumes were equivalent to around 23% of load in the markets with a power exchange, compared with around 19% in Q3 2025. The available data do not show whether this growth reflects a shift from bilateral trading, new market participants or other changes in trading behaviour.

## Changes in scheduled flow patterns

The recovery in total scheduled exchange from the previous quarter was concentrated in a small number of corridors. Montenegro to Italy recorded the largest increase compared with Q3 2025, reaching 984 GWh, around 80% more than a year earlier. Imports into the Western Balkans also increased on Greece to North Macedonia, Greece to Albania and Bulgaria to Serbia. By contrast, scheduled exports from Serbia to Hungary declined by 21.6%, while commercial exchange between Croatia and Bosnia and Herzegovina was lower in both directions.

Figure 10. WB6–EU cross-border scheduled flows by corridor

*Q3 2026 vs Q3 2025, with year-on-year change · GWh*



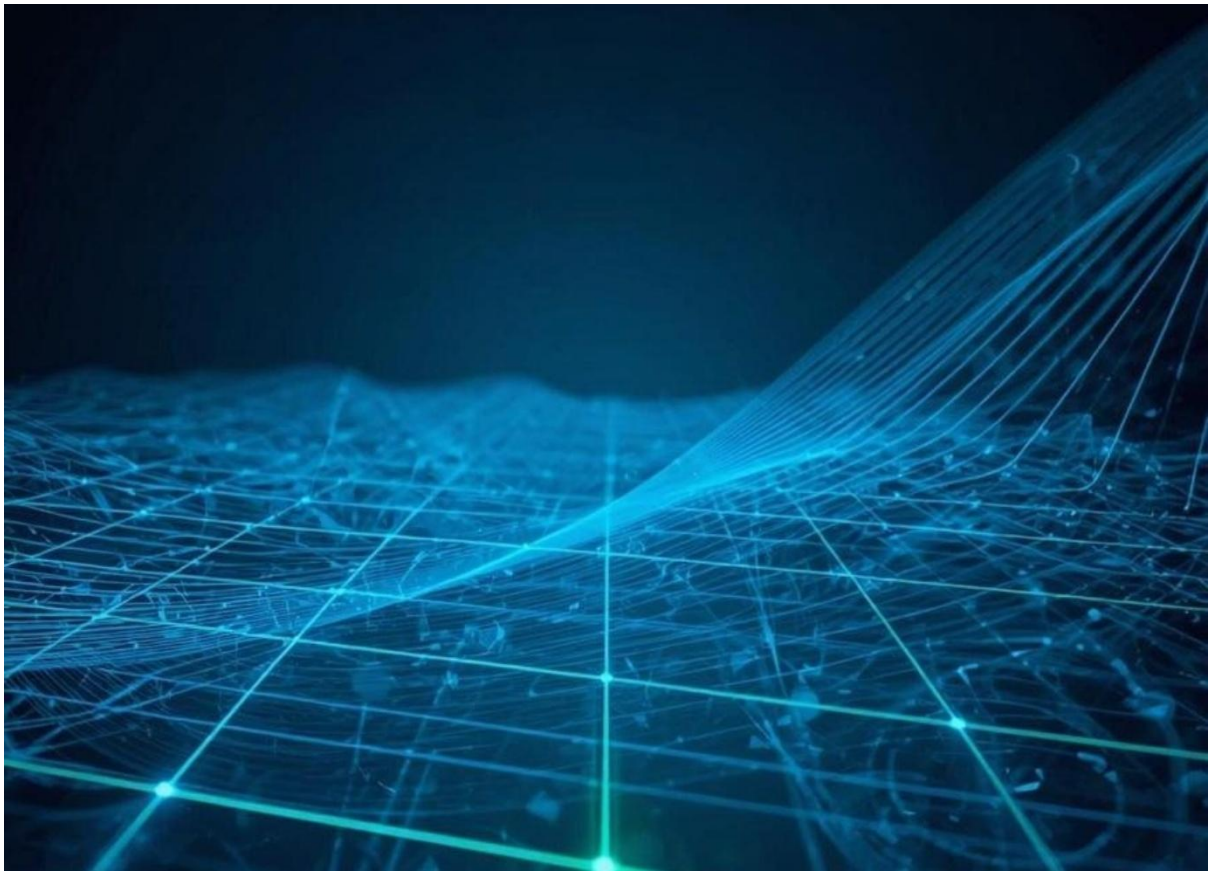

*Source: ENTSO-E scheduled commercial exchanges. Aggregated by the Energy Community Secretariat.*

Commercial flows from Serbia to Hungary deserve particular attention. Although, the price spread widened in favour of Serbia even compared to Q2 when significant flows

entered from Serbia to Hungary, yet scheduled exports in Q3 fell to 678 GWh. At the same time, scheduled exchanges from Hungary to Serbia increased to 730 GWh, leaving Serbia as a small net scheduled importer from Hungary over the quarter.

The wider regional pattern changed as well. In Q2 2026, stronger Serbia to Hungary scheduling coincided with high scheduled exports from Hungary to Ukraine. In Q3, scheduled exports from Hungary to Ukraine fell sharply, while exchange in the opposite direction increased. This coincided with weaker northward scheduling from Serbia and a weaker onward scheduled-exchange pattern through the Hungarian hub. This also occurred alongside lower offered capacity from Serbia to Hungary. The available data do not allow the further separation of the individual impacts of these factors.

A wider bilateral price spread therefore did not automatically result in higher scheduled exports. Available cross-border capacity, wider regional trading patterns and other commercial factors also influenced corridor outcomes.



Spotlight: the Montenegro–Italy corridor

The direction from Montenegro to Italy showed particular development in Q3 2026. Scheduled exports from Montenegro to Italy reached 984 GWh, 39.0% more than in the previous quarter and 79.8% more than in Q3 2025. Scheduled exchanges in the opposite direction fell to 110 GWh, leaving Montenegro with a net scheduled export of 874 GWh.

The price signal in this case (unlike between Serbia and Hungary), strongly favoured exports. Montenegro was on average around EUR 39/MWh cheaper than Italy, and the absolute price spread exceeded EUR 20/MWh in 71.4% of hours.

Cross-border capacity was also highly valued. Average offered capacity during auctioned hours was about 474 MW, and 99.7% of the offered capacity was allocated. The average auction price reached EUR 18.75/MWh. Average day-ahead NTC was 524 MW, and schedules used 84.5% of this capacity on average. In 60.5% of hours, scheduled use reached at least 95% of NTC. The lower export volume in September coincided with fewer hours in which capacity was offered.

The corridor also formed part of a wider regional scheduled-exchange pattern. Almost all Montenegro to Italy export volume occurred while Montenegro was a net scheduled importer from its Western Balkan neighbours. In 95% of export hours, commercially aligned scheduled paths towards Montenegro existed from at least four EU markets. In 77% of export hours, Serbia was simultaneously a net scheduled importer across its EU borders and a net scheduled exporter to Montenegro. The pattern is consistent with market participants combining scheduled exchanges across several Western Balkan borders to reach the Italian market. However, scheduled exchanges do not show the contractual origin of the electricity or whether it physically transited the region.

The indicative CBAM cost based on Montenegro's default value was around EUR 81/MWh, well above the average price spread of around EUR 39/MWh. Scheduled exports nevertheless increased sharply, and available capacity was heavily used. The quarterly average price spread in itself and the indicative default-based CBAM cost therefore do not explain the commercial outcome on their own. Hourly market conditions, contract positions and the wider regional trading pattern may also have mattered, but their individual effects cannot be identified from the available data.

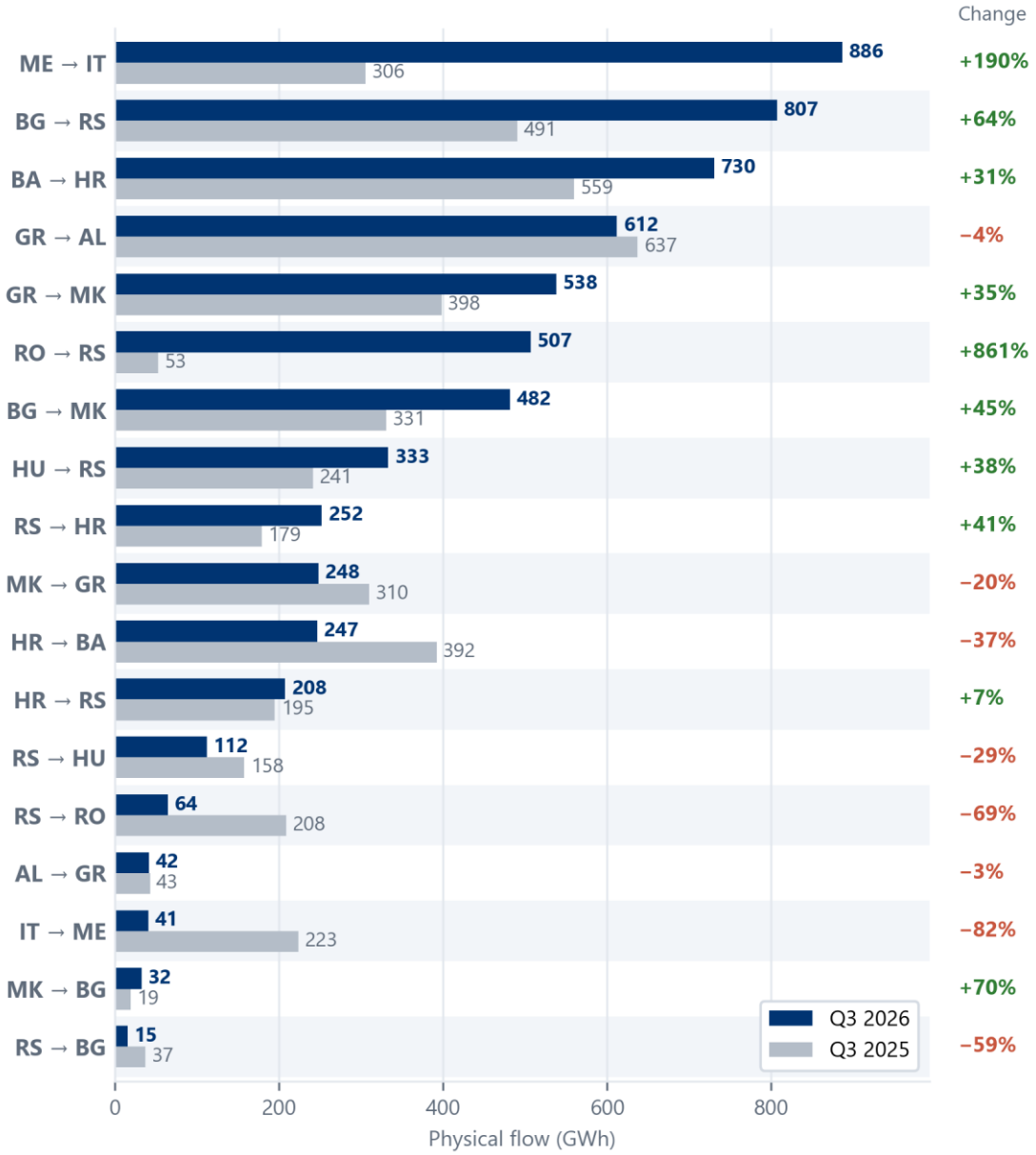
## Physical cross-border flows

Physical flows from the WB6 to the EU reached 2,382 GWh in Q3 2026, 4.8% more than in the previous quarter and 31.0% more than in Q3 2025. Flows from the EU into the WB6 reached 3,773 GWh, 14.7% more than in the previous quarter and 27.4% more than a year earlier. Physical flows are measured electricity flows and should not be interpreted as commercial transactions.

The largest increases were recorded on Montenegro to Italy, Bulgaria to Serbia and Romania to Serbia. Romania to Serbia physical flows increased almost tenfold compared with Q3 2025, while scheduled exchanges in the same direction increased only slightly and the value of capacity was negligible. On Bosnia and Herzegovina to Croatia, physical flows were almost three times the scheduled exchange. These differences illustrate that physical flows and commercial schedules can develop differently within the interconnected network.

## Figure 11. WB6–EU cross-border physical flows by corridor

*Q3 2026 vs Q3 2025, with year-on-year change · GWh*




*Note: Greece→Albania physical flows include IPTO/ADMIE measured values where the ENTSO-E series contains prolonged zero blocks. Source: ENTSO-E physical cross-border flows. Aggregated by the Energy Community Secretariat.*

Over January to September 2026, physical flows from the WB6 to the EU reached 8,080 GWh, compared with 5,949 GWh in the same period of 2025. Flows from the EU into the WB6 reached 9,166 GWh, compared with 8,788 GWh a year earlier.

## Divergence between scheduled commercial exchanges and physical flows

To compare commercial schedules with physical flows, the analysis uses net values for each border. In Q3 2026, the largest divergence was recorded on Bosnia and Herzegovina–Croatia, where Bosnia and Herzegovina was a net scheduled importer but a net physical exporter. A substantial difference was also recorded on Serbia–Romania, where physical imports into Serbia were considerably larger than net scheduled imports.

On North Macedonia–Greece, net physical imports into North Macedonia were lower than net scheduled imports. On Albania–Greece, physical imports into Albania were higher than net scheduled imports. By contrast, physical flows on Montenegro–Italy closely matched the scheduled position.

Such differences are consistent with the operation of a meshed interconnected network, where physical flows do not necessarily follow bilateral commercial schedules. The available data do not show the operational causes or consequences of these divergences.

# Policy spotlight: Montenegro's carbon pricing reform as a response to CBAM

On 23 July 2026, Montenegro adopted a regulation strengthening its domestic carbon pricing system. The reform links the reference carbon price to the six-month average of EU ETS auction prices, provides for the purchase of allowances by covered operators and directs the resulting revenues to Montenegro's Eko Fund to support environmental and climate investments.

The reform illustrates how Contracting Parties can respond to CBAM by retaining carbon pricing revenues within their domestic economies and mobilising them for decarbonisation, rather than relying solely on carbon-related payments at the EU border. Where the applicable EU requirements are met, carbon prices effectively paid domestically may be recognised as a reduction in CBAM obligations.

While the practical impact of Montenegro's reform remains to be seen, it provides a relevant example of how domestic carbon pricing can address CBAM-related challenges while supporting the energy transition.

*Note: Recognition of domestic carbon prices remains subject to EU CBAM rules, including requirements concerning evidence of payment and the treatment of subsidies financed through carbon pricing revenues*[12]

[12] The European Commission is currently developing the final version of Commission Implementing Regulation laying down rules for the application of Regulation (EU) 2023/956 as regards the conversion of the carbon price paid in a third country into a corresponding reduction in the number of CBAM certificates to be surrendered, the evidence of payment of that carbon price, the qualifications of the independent person and conditions to ascertain its independence and qualifications. Article 8, paragraph 2 of the draft implementing regulation includes the intended provisions governing the recognition of subsidies financed by the revenues generated by the carbon price mechanism.

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