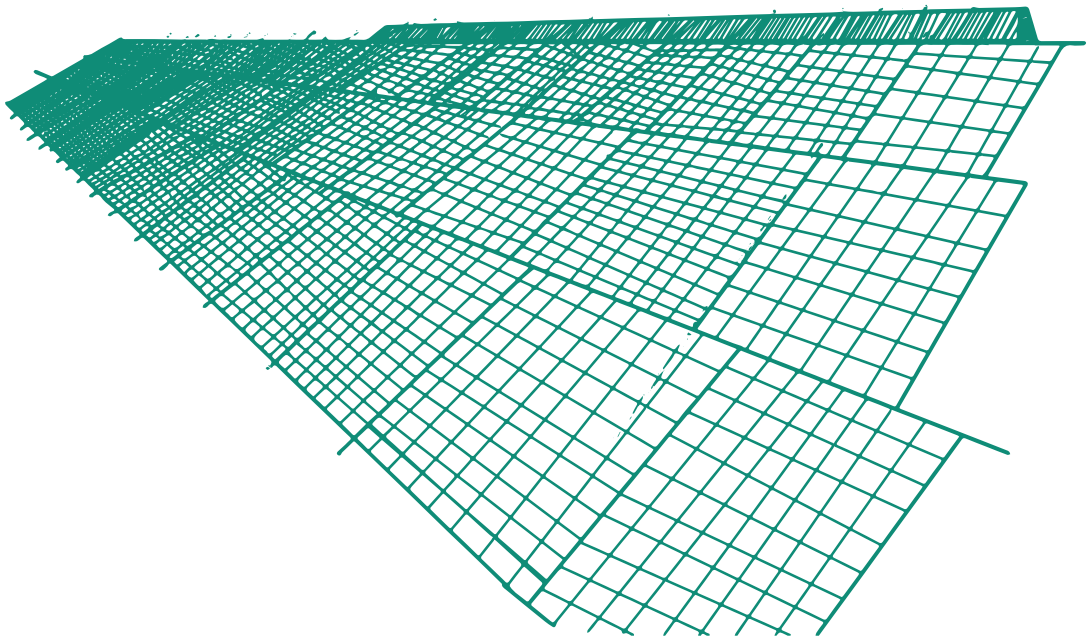
SERBIA

Annual Implementation Report



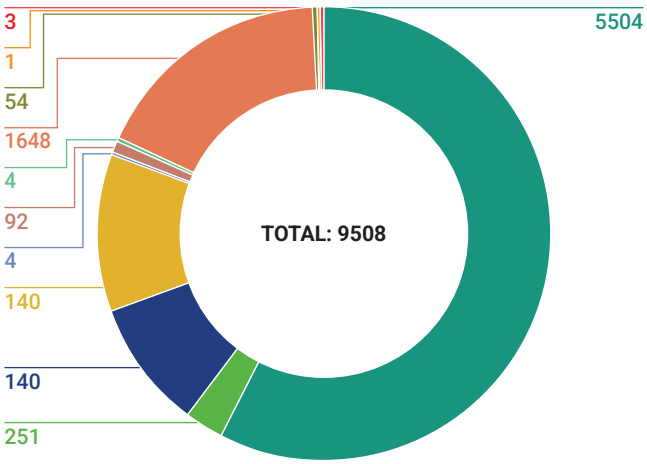
1 November 2025

Energy Community Secretariat

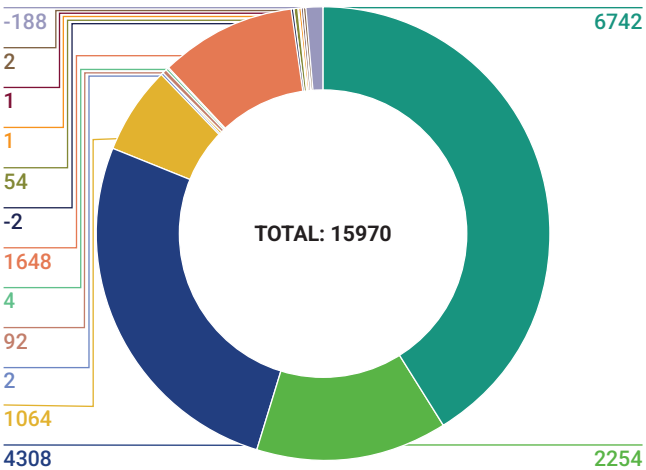
Implementation overview

CLUSTER	IMPLEMENTATION STATUS	RECOMMENDATIONS
Markets and integration	58%	Following the finalisation of EIP transposition, Serbia should proceed with implementation, prioritising measures that facilitate cross-border trades and market integration, and promptly enable cross-zonal capacity allocation on the EMS–KOSTT interconnector for commercial exchanges. Serbia should implement certification conditions for its national gas TSO, certify the other TSO and storage system operator, ensure unbundling of the largest gas DSO and ensure capacity allocation at interconnection points. Further, Serbia should open its gas market, enforce anti-monopoly measures and diversify its supply sources.
Decarbonising the energy sector	83%	Serbia should extend its legal framework to allow the issuance of guarantees of origin for energy carriers beyond electricity in line with REDII. It should finalise legislation aligned with the Energy Performance of Buildings Directive, including building certification and minimum energy performance requirements, and should continue heating and cooling reforms and expand consumption-based billing. Serbia should also strive to define climate neutrality in its legal framework.
Ensuring energy security	35%	Following the transposition of Regulations (EU) 2019/941 and 2017/2196, Serbia should advance implementation, starting with preparation of risk-preparedness, defence and restoration plans. Serbia should resume submitting Security of Supply Statements to the Secretariat. Serbia should also transpose and implement Regulation (EU) 2017/1938 as adopted for the Energy Community.
Improving the environment	58%	Serbia should adopt the foreseen secondary legislation and bolster the capacities of the national environmental authorities to implement the new EIA and SEA legislation, as well as ensure compliance with the NERP sulphur dioxide ceiling and continue efforts to establish Natura 2000 sites.
Performance of authorities	82%	AERS, CPC and CSAC are encouraged to use their powers to further boost enforcement activities in the energy sector. SORS should strengthen human resources and expertise to meet growing data and methodological requirements.

2023 Fuel mix in primary production of energy (in ktoe)



2023 Gross available energy per product (in ktoe)



Source: Eurostat database

Solid fossil fuels | Natural gas | Oil and petroleum products | Hydro | Solar thermal | Solar photovoltaic | Primary solid biofuels | Charcoal | Wind | Pure biodiesels | Electricity | Biogases | Geothermal | Industrial waste | Non-renewable waste | Renewable municipal waste | Non-renew. mun. waste

OVERALL NUMBER OF CASES 9

Procedures under Article 91 EnCT

- ECS-9/18 **environment**
- ECS-10/21 **environment**
- ECS-6/24 **electricity**
- ECS-2/21 **electricity**
- ECS-23/21 **environment**
- ECS-19/24 **gas**

Procedures under Article 92 EnCT

- ECS-9/13 S **gas**
- ECS-10/17 S **gas**
- ECS-13/17 S **gas**

Markets and integration
Serbia

ELECTRICITY

61%

Wholesale market

78%

Serbia was the first Contracting Party to adopt a comprehensive set of primary and secondary legislation aimed at fully transposing the Electricity Integration Package (EIP). The Law on the Amendments to the Energy Law was adopted by Parliament at the end of November 2024, followed by the adoption of six governmental decrees. The process of verifying the transposition compliance for the specific purpose of market coupling, which is to be performed by the Secretariat and the European Commission, was initiated on 22 October 2025.

A day-ahead market has been operational since 2016, while the intraday market was launched in mid-2023. Both markets are operated by SEEPEX, which forms part of the Alpine-Adriatic Danube Power Exchange (ADEX) Group. In 2024, the volume of electricity traded on the day-ahead market amounted to 17,41% of Serbia's total electricity consumption, while a small share was traded on the intraday market (approximately 0,34%).

Maximum and minimum price limits have been introduced for both the day-ahead and intraday markets. The maximum clearing prices correspond to the reference harmonised maximum clearing prices defined by the Agency for the Cooperation of Energy Regulators (ACER). The minimum clearing prices for both markets are set at 0,00 EUR/MWh; however, SEEPEX plans to introduce negative prices in 2026. The day-ahead market gate opening time is 45 days before the delivery date, while the gate closure time is at 11:00 market time day-ahead. For the intraday market, trading is possible from 18:00 market time day-ahead until one hour before the start of delivery. The minimum bid size on the day-ahead market is 0,1 MW, which is compliant with Regulation (EU) 2019/943.

Apart from the day-ahead and intraday markets, electricity is traded on a bilateral basis. Power futures with financial settlement for the Serbian market area have been available since 2019.

The Energy Law stipulates that electricity for covering network losses in the transmission and distribution system should be procured through a transparent, non-discriminatory and market-based procedure. However, as opposed to Directive (EU) 2019/944, it allows the Government to set the price in specific cases. In 2025, electricity for covering transmission and distribution network losses continued to be procured through a full supply contract with a formerly vertically integrated company, EPS, concluded in a non-transparent procedure.

Although the main requirements of the adapted Regulation (EU) 2019/943 and Commission Regulation (EU) 2017/2195 have been incorporated into the national legal framework, the adoption of the secondary legislation necessary for their full implementation is still pending. EMS, the Serbian transmission system operator (TSO), has recently carried out a public consultation on the draft market code, aimed at aligning the procurement of balancing services with the new legal framework. However, the currently implemented balancing market framework is not fully compliant with these regulations. Specifically, while the procurement of balancing energy is market-based, the price of balancing capacity for 2025 was set in advance by the regulatory authority, the Energy Agency of the Republic of Serbia (AERS). Price caps are defined for explicit balancing energy bids, including additional price caps for the dominant balancing service provider. Regarding the imbalance settlement, since 2025, significant progress has been made by introducing a 15-minute imbalance settlement period, effective from 1 January 2025, thereby ensuring compliance with Regulation (EU) 2019/943. However, the calculation of the imbalance price is not fully aligned with Commission Regulation (EU) 2017/2195 and the ACER Decision on the Imbalance Settlement Harmonisation Methodology.

Regulation (EU) 1227/2011, as adapted and adopted by the Ministerial Council of the Energy Community, was transposed in Serbia in 2021 through AERS rules and implemented from 1 April 2022. Since then, 92 market participants have been registered in the central register operated by AERS. So far, no investigation cases due to REMIT breaches have been initiated by AERS.

Retail market

59%

In line with the Energy Law, all final customers are free to purchase electricity from the supplier of their choice. At the end of 2024, there were 79 licensed suppliers on the retail market, 11 of which were active, representing a significant increase compared to the previous period. To ensure universal service for specific categories of customers, a guaranteed supply concept is in place. Currently, the price of guaranteed supply is regulated–AERS approved the latest prices at the end of August 2025.

Although Directive (EU) 2019/944 permits the introduction of temporary price interventions for households and microenterprises under specific conditions, the scope of customers entitled to guaranteed supply is broader and, therefore, not compliant with Directive (EU) 2019/944. Furthermore, the guaranteed supplier is appointed directly by the Energy Law, rather than through a market-based process. The concept of last-resort supply applies to other consumers who are not entitled to guaranteed supply. Following a market-based procedure, EPS was selected as supplier of last resort for the period from 1 May to 31 October 2025 by a Government decision. New tender for the selection of the supplier of last resort for period from 1 November 2025 to 30 April 2026 was published in October 2025.

Consumer empowerment and protection were placed at the forefront by the Law on Amendments to the Energy Law. This law introduced the concepts of active customers, citizen energy communities and aggregation, strengthened customer rights in relation to supply contracts and granted various possibilities to final customers, including entitlement to smart meters and dynamic price contracts. Additionally, end-customers who do not have access to remote meter reading have the right to act as self-readers by submitting their consumption data to the system operator. In 2025, the Decree on Electricity Delivery and Supply was amended to reflect certain novelties introduced by Directive (EU) 2019/944. However, the adoption of the other relevant by-laws is necessary to unlock the full potential of the new concepts included in the above-mentioned law.



ENERGY POVERTY

In Serbia, both energy poverty and the concept of a vulnerable customer are legally defined in the Energy Law.

The country has set a national target to reduce energy poverty by 75% by 2030 compared to 2020, as outlined in the National Energy and Climate Plan (NECP).

To support vulnerable and energy-poor households, Serbia provides subsidies for electricity and gas bills. In 2024, 173.773 vulnerable consumers received electricity subsidies, with a budget of over EUR 17 million, while an average of 215 gas consumers per month benefited from gas bill subsidies. Households officially recognised as energy-vulnerable customers by law are protected from disconnection of electricity supply due to unpaid bills. The NECP includes six targeted measures addressing energy poverty, combining immediate financial aid with long-term strategies. One such initiative is the SURCE project, launched in 2023 and running until 2027, which finances energy efficiency, sustainable heating and rooftop solar investments for low-income households. Serbia's long-term renovation strategy does not include a dedicated action plan for energy poverty. Instead, it references relevant legislation such as the Law on Energy Efficiency and Rational Use of Energy. This law mandates that a portion of energy efficiency measures must prioritise vulnerable and energy-poor households.

Energy poverty levels are monitored by the Statistical Office of the Republic of Serbia through relevant Eurostat surveys. Serbia provided data for the years 2023 and 2024 on the main EU energy poverty indicators: in 2024, 9,3% of the population could not keep their home warm enough and 16,3% faced arrears on utility bills; in 2023, 10,4% lived in dwellings with structural issues such as leaking roofs and damp walls and 19,7% of the population was at risk of poverty.

Unbundling

93%

EMS, the TSO in Serbia, was certified under ownership unbundling in 2017. To ensure full independence of the TSO, the Republic Commission for Energy Networks was established as an independent and autonomous body to oversee it.

The Regulation on Establishing Guidelines on Interconnected Electricity Transmission Systems Operation, which aims to transpose Commission Regulation (EU) 2017/1485, was recently adopted by the Government of Serbia. The adoption of the respective terms and conditions or methodologies is still pending. EMS is a ENTSO-E member and a signatory of the Synchronous Area Framework Agreement for the Regional Group Continental Europe. EMS acts as a monitor of the SMM load-frequency control block, which includes the control areas of Serbia, North Macedonia and Montenegro. The latest Ten-Year Network Development Plan (TYNDP), covering the period from 2023 to 2032, was approved by AERS in 2024 and published on the websites of EMS and AERS. More recently, AERS carried out a public consultation on the draft new ten-year network development plan for the period for 2025 to 2034.

EDS, the distribution system operator (DSO) in Serbia, is legally and functionally unbundled from generation and supply activities. Its compliance programme was approved by AERS in 2022 and published on the DSO's webpage, including the relevant information on compliance monitoring. A new compliance officer was appointed in 2023. However, the annual compliance report for 2024 has not yet been published. AERS approved the DSO's TYNDP for the period 2023 to 2032, which is published on the AERS website.

Access to the system

83%

Both the transmission and distribution system operators are responsible for ensuring transparent and non-discriminatory third-party access to their systems based on network tariffs determined in line with AERS's tariff methodologies and approved by AERS. The Energy Law stipulates conditions under which transmission and distribution system operators can refuse access to the system. AERS approved the latest transmission and distribution tariffs in August 2025. However, the tariff methodologies still need to be amended to reflect the requirements defined in Directive (EU) 2019/944 and Regulation (EU) 2019/943 (including on designing tariffs for energy storage and active customers).

Connection codes have been transposed by ministerial decrees adopted in 2022. Within one year of their entry into force, the system operators were obliged to align their rules governing connection and obtain approval from the regulator. EMS adopted the transmission grid code in 2023, but the DSO, Elektrodistribucija Srbije, continues to use its distribution grid code from 2017. The plan is to update the DSO code by February 2026.

Regulation (EU) 543/2013 was transposed into the national legal framework through the EMS rules. EMS regularly publishes the relevant data on the ENTSO-E Transparency Platform.

Regional integration

26%

Although the Law on Amendments to the Energy Law incorporated the provisions of Regulation (EU) 2019/943, the implementation of its requirements for facilitating cross-border trades–primarily the minimum 70% target and its monitoring–remains pending.

The Government of Serbia has recently adopted the Regulation on Cross-Zonal Capacity Allocation in Forward Markets, which aims to transpose Commission Regulation (EU) 2016/1719. However, its full implementation is still pending. EMS uses the Joint Auction Office (JAO) services for long-term cross-zonal capacity allocation on its borders with Croatia, Hungary, Romania and Bulgaria. JAO also performs day-ahead capacity allocation on the borders with Croatia, Hungary and Bulgaria, while EMS performs intraday allocation on these borders. Day-ahead and intraday capacity allocation on the border with Romania is conducted by the Romanian TSO. For other borders, coordinated cross-zonal capacity allocation is performed by either EMS or the TSO of the neighbouring country. EMS, together with the TSOs concerned, intends to start using JAO services for cross-zonal capacity allocation for the borders with Montenegro and North Macedonia. Allocation of cross-zonal capacity with Kosovo* is not available for commercial exchanges. The infringement case against Serbia, due to its non-compliance with the Energy Community legal acquis in this regard, remains open.

In December 2024, the Government of Serbia adopted the Regulation on Transmission Capacity Allocation and Congestion Management. This regulation aims to transpose Commission Regulation (EU) 2015/1222 and establish a legal basis for implementing market coupling. No activities were undertaken for operationalisation of the Shadow South-East Europe Capacity Calculation Region (CCR) during the previous period. Instead, in December 2024, all TSOs of Contracting Parties in the Western Balkans agreed to reconfigure this region by signing the Joint Declaration on Regional Coordination in South-East Europe. The proposal for the reconfiguration of this region has been submitted to ACER for approval as part of the All TSOs' proposal for amendment of the CCR determination.

Although SEEPEX was designated as a nominated electricity market operator (NEMO) by the Government of Serbia in June 2022, the compliance of its designation is still to be confirmed, along with the verification process. Serbia notified the Secretariat of the existence of a national legal monopoly for day-ahead and intraday trading services pursuant to Article 5(1) of Commission Regulation (EU) 2015/1222 in June 2023. However, in line with the Law on Amendments to the Energy Law, a switch to the competitive NEMO model is to be made; however, the law is not clear on when the national legal monopoly will cease to exist.

The Serbian TSO and NEMO, together with their Hungarian counterparts, have jointly established a local implementation project for market coupling, signed the memorandum of understanding and agreed on the high-level market design. Recently, they started drafting the technical procedures related to market coupling.

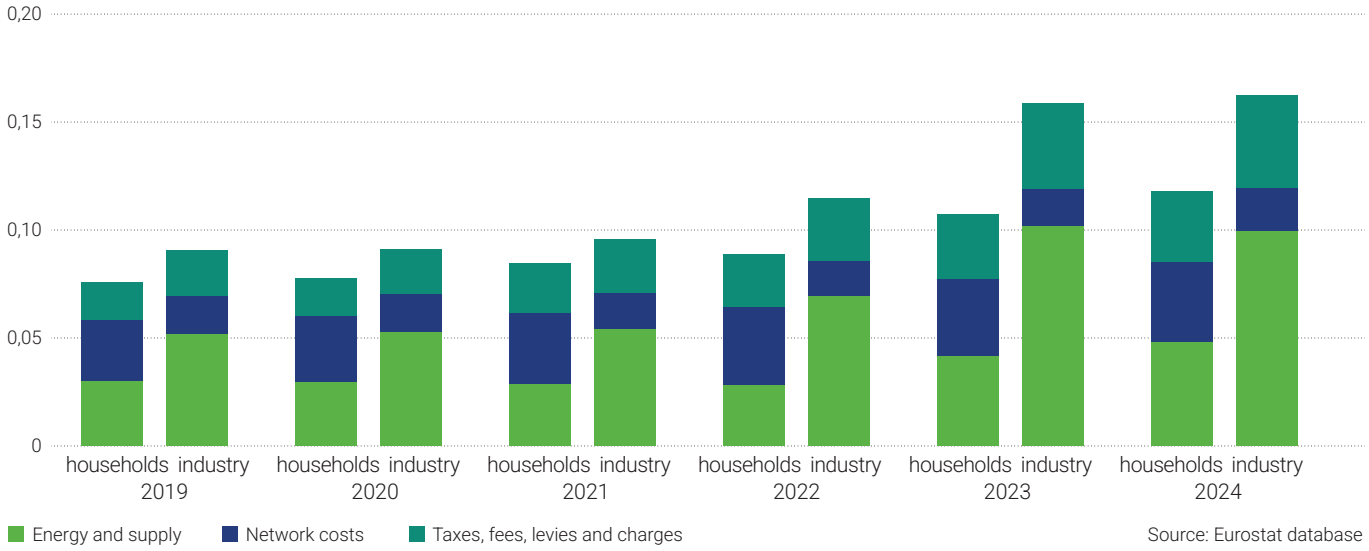
In addition, activities to establish a local implementation project between Serbia and Bulgaria have also begun. A request for the inclusion of this border in the Italian Borders Working Table has been submitted.

The requirement to participate in the European balancing platforms was transposed into the national legal framework by the Regulation on Establishing Guidelines for Balanced Electricity, which was adopted in August 2025. EMS is already an operational member of the International Grid Control Cooperation and has gained observer status in the Manually Activated Reserves Initiative (MARI)–a European implementation project for the European mFRR platform. EMS exchanges the balancing energy from mFRR with TSOs from Bosnia and Herzegovina, Montenegro and North Macedonia. Serbia performs an imbalance netting process with Montenegro.

The revised TEN-E Regulation (EU) 2022/869 is to be transposed by a government decree, which is in the final stages of preparation. Serbia did not submit any electricity-related projects for consideration in the 2024 Projects of Energy Com-

munity Interest (PECI) selection process. EMS, the TSO, continues to advance the development of sections 3 and 4 of the Trans-Balkan Electricity Corridor.

Average annual prices of electricity for end users per component [EUR/kWh]



Source: Eurostat database

GAS

56%

Wholesale market

63%

The public gas supplier, Srbijagas, secures approximately 75% of Serbia's annual natural gas consumption through a long-term import contract with Gazprom, originally valid until May and extended until the end of December 2025. The remaining supply is sourced from the Hungarian market and, in smaller quantities, from Azerbaijan via the Bulgaria interconnector, exclusively booked by Srbijagas. Moreover, NIS delivers a small part of its inland production gas to the Serbian market. This concentrated supply structure results in a lack of liquidity in the domestic gas market.

Although a virtual trading point has been established, there is currently no formal gas exchange and market activity remains limited to bilateral contracts. An interim balancing framework has been introduced, aligned with the transitional provisions of the EU Balancing Network Code (BAL NC) and the regulatory authority, with AERS limiting these interim measures to 2027.

Furthermore, Serbia has transposed the REMIT Regulation (EU) 1227/2011 into national legislation, establishing a legal foundation for improved market monitoring and transparency.

Retail market

50%

Srbijagas is the dominant market player in retail gas supply. Customer protection and supplier switching are well established. Serbia uses energy units.

Unbundling

50%

Serbia has made partial progress in aligning its gas sector with the Energy Community acquis. Transportgas Srbija, the state-owned gas TSO, was certified under the ISO model. The November 2024 Energy Community Secretariat Opinion 03/2024, identifying compliance gaps and recommending corrective actions, was incorporated fully by AERS, Serbia's energy regulator. AERS approved the certification, setting a 12-month deadline to resolve remaining issues under the Gas Directive, such as the legal and functional unbundling of Srbijagas network asset ownership. The law is under review to allow the company to comply with the deadline.

In Serbia, there are currently three transmission system operators (TSOs): Gastrans, Yugorosgas – transport and Transportgas Srbija. GTS is jointly owned by Gazprom (51%) and Srbijagas (49%), while YGT is owned entirely by Yugorosgas, which itself is owned by Gazprom (50%), Centrex (25%) and Srbijagas (25%). Transportgas Srbija is a 100% public enterprise under the control of the State Commission for Energy Networks, which oversees both electricity and natural gas TSOs. Yugorosgas, acting as both supplier and distribution system operator (DSO), owns the transmission system operated by YGT, while PE Srbijagas owns the system on which TGS operates.

Certification of Yugorosgaz Transport has not progressed since the Government adopted its unbundling plan in 2021. Gastrans was certified under the ITO model and licensed by the national regulator despite the Secretariat's objections.

The Banatski Dvor storage system operator did not meet the 31 March 2024 certification deadline set by the Gas Storage Regulation.

Srbijagas remains the only DSO with over 100.000 connected customers (currently over 135.000). Its unbundling in line with the Gas Directive is still pending.

Access to the system

50%

Serbia transposed the Energy Community network codes in October 2022 and the national TSO, Transportgas Srbija, subsequently adopted a transmission code in compliance with the governmental decree and with AERS approval in January 2025. A new entry/exit transmission tariff methodology, aligned with the tariff network code, was also adopted. Despite these regulatory advancements, transparent third-party access and, consequently, capacity allocation have not yet been conducted at the interconnection points (IPs) managed by Transportgas. The capacity booking system on the TSO's website was inaccessible and essential information–such as clear user guidance and instructions for participating in the capacity allocation process–was lacking.

As a result, incumbent suppliers were allocated capacity in a non-transparent manner this year, failing to guarantee fair and non-discriminatory third-party access to the gas transmission infrastructure. Transportgas's approach, which consisted merely of publishing technical capacities and referencing the applicable rules, cannot be considered user-friendly or conducive to market development. Currently, only short-term capacities of the non-exempted section of Gastrans are booked via the Regional Booking Platform. Furthermore, access to the Banatski Dvor storage facility remains restricted, with third-party access still not ensured.

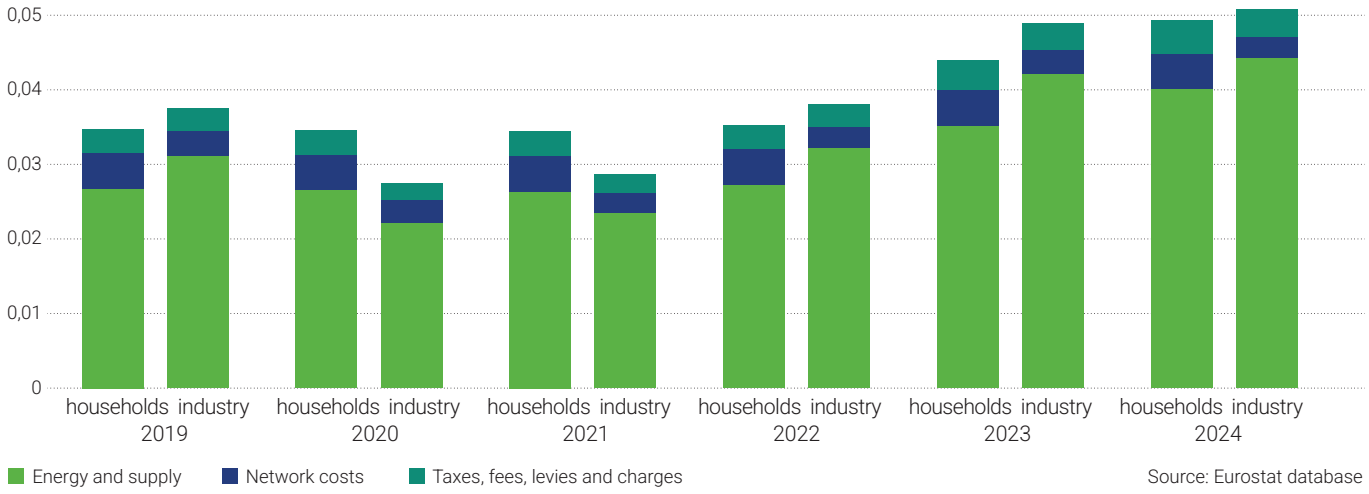
Regional integration

79%

Interconnection agreements are in place on all Transportgas IPs. Serbia is considering other projects with neighbouring countries, the most advanced one being with North Macedonia. Contrary to the unbundling rules, Srbijagas is promoting such projects.

Serbia partially transposed the old Regulation (EU) 347/2013 and a decree to be adopted by the Government has been prepared to transpose the revised Regulation (EU) 2022/869.

Average annual prices of gas for end users per component [EUR/kWh]



Source: Eurostat database

Decarbonising the energy sector
Serbia

ENERGY AND CLIMATE GOVERNANCE

80%

National Energy and Climate Plan (NECP) and Integrated Progress Report (IPR)

97%

The Government of Serbia adopted the National Energy and Climate Plan (NECP) on 25 July 2024 and submitted the adopted plan to the Secretariat.

Within the framework of biennial integrated progress reports, the authorities of Serbia submitted information for 16 of the 17 reporting streams in 2025.

2030 Greenhouse Gas Reduction Target

80%

Serbia has defined the 2030 climate target in the NECP adopted in 2024. The target is in line with the 2030 target set by the Energy Community (47,82 $MtCO_2eq$).

2030 GHG Target*
-40,3%

National Systems for Greenhouse Gas Emissions and Climate Reporting

75%

There is a legal basis for a national ggreenhouse gas (GHG) inventory system and Serbia has a partially transposed the legal framework for a national system for policies and measures (PaMs) and projections under the Law on Climate Change, adopted in 2021. Furthermore, by-laws transposing relevant provisions of the Governance Regulation regarding the GHG inventory have been adopted.

Serbia has made progress in climate reporting, submitting information in a timely manner on GHG inventories, approximate GHG inventories, adaptation actions and revenues from carbon pricing mechanisms, as required by the adapted Governance Regulation. Reports on policies and measures and the national system for PaMs were also submitted, albeit after the deadline. Since 2025, a new requirement to submit national GHG emission projections has been in place, and this obligation still remains unfulfilled.

Long-term Strategy (LTS) and Climate Neutrality

69%

The legal basis for a long-term strategy has been established through the Law on Climate Change. Serbia has adopted a long-term strategy until 2030, with projections until 2050. While the strategy foresees a coal phaseout by 2050, it lacks a climate neutrality objective.

*All targets presented in this Decarbonisation chapter are aligned with the Ministerial Council Decision 2022/02/MC-EnC of the Energy Community

RENEWABLE ENERGY IMPLEMENTATION 80%

2030 Renewable energy targets 65%

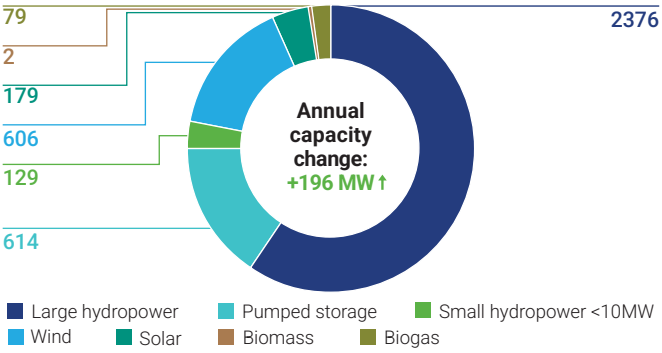
The overall renewable energy target of 33,6% share of gross final energy consumption, as stated in the adopted NECP, differs from the 40,7% 2030 target set by Ministerial Council Decision 2022/02/MC-EnC, but has been justified in line with Article 6 of that decision. The overall 2030 renewable energy target is subdivided into sectoral targets for electricity (45%), transport (7%) and heating and cooling (41,4%). In line with Article 26 of the Renewable Energy Directive (REDII), Serbia has adjusted its minimum target for renewable energy in transport to 7% by 2030. Serbia has not expressed sufficient ambition for the 2030 target for renewable energy in heating and cooling under Article 23 of REDII.

2030 RES Target
40,7%

Quality of support scheme 90%

Amendments to the Renewable Energy Law adopted in April 2023, supported by secondary legislation, established the preconditions for auctioning in the form of market premiums. Two successful auctions under the contract for difference mechanism were held in 2023 and 2025. None of the cooperation mechanisms (statistical transfer, joint projects and joint support schemes) have been implemented.

Total Capacities of Renewable Energy 2024 (MW)



Total capacities of renewable energy (MW): 3985

Source: Ministry of Mining and Energy

Self-consumption and energy communities 100%

Serbia deploys a two-pronged strategy to promote self-consumption, with net metering mechanisms for households (up to 10,8 kW) and net billing for industries (up to 150 kW). Amendments to the Renewable Energy Law have paved the way for the introduction of renewable energy communities in accordance with REDII requirements, with a few already established.

Guarantees of origin 65%

Currently, Serbia is the only Contracting Party to have successfully implemented a functional guarantee of origin (GOs) system for electricity, including the adoption of disclosure rules and the publication of a national residual mix. Its issuing body, EMS, has become a member of the Association of Issuing Bodies. However, the existing legal framework envisages the issuance of GOs solely for renewable electricity and does not encompass other energy carriers as required by REDII.

Sustainability criteria for biofuels, bioliquids and biomass fuels 82%

The REDII provisions on sustainability and GHG emission savings have been transposed into Serbian national legislation, and a system for verifying biofuels, bioliquids and biomass fuels has been established. The obligation for fuel suppliers to place renewable fuels on the domestic market, initially planned for 2025, was postponed, as it primarily concerned first-generation

biofuels. While the legal framework for promoting renewable energy use in the transport sector is in place, its full implementation will only be achieved once the fuel supplier obligation takes effect.

Renewable energy in heating and cooling

83%

Serbia has a well-established legal framework for the heating and cooling sector, ensured by the transposition of Articles 23 and 24 of REDII through the Renewable Energy Law. Effective implementation of these provisions depends largely on local self-government units, which are responsible for introducing incentive policy measures to support the integration of renewables in the sector and for setting the conditions and procedures under which renewable and waste heat producers can obtain third-party access to district heating networks. At the same time, the right of consumers to disconnect from inefficient district heating systems has not been guaranteed in national legislation, limiting incentives to improve system performance.

ENERGY EFFICIENCY IMPLEMENTATION

86%

2030 Energy efficiency targets and policy measures

94%

Serbia's 2030 energy efficiency targets, as outlined in its adopted NECP, are partially aligned with those of the Energy Community. The primary energy consumption target (14,68 Mtoe) matches the Energy Community's benchmark (14,94 Mtoe), while the final energy consumption target (9,67 Mtoe) remains less ambitious than the agreed target of 9,54 Mtoe.

Implementation of the Law on Energy Efficiency and Rational Use of Energy, adopted in April 2021, continued in 2025. Key implementing acts were finalised during 2023–2024, including rules on minimum criteria for energy audits and training for energy managers. These measures support alignment with the amended Energy Efficiency Directive (EU) 2018/2002 (EED).

In 2025, Serbia issued updated instructions for the certification and licensing of energy managers, and continued training efforts. The national energy audit information system, upgraded in 2023, is undergoing further refinement. Rulebooks for inspecting heating and air-conditioning systems, adopted in 2023, are supported by instructions and a register of authorised inspection providers, published in 2024 and 2025, to guide implementation and help clients find qualified professionals.

2030 EE PEC Target
14,94 Mtoe

2030 EE FEC Target
9,54 Mtoe

Energy efficiency in buildings

64%

Buildings are Serbia's largest energy-consuming sector, accounting for 46% of final energy use in 2023, with residential buildings alone responsible for 36%.

Despite the adoption of a long-term building renovation strategy in February 2022—setting targets to renovate public buildings by 2050 and introduce nearly-zero energy building standards for new public and commercial structures—no further progress was made in alignment with the Energy Performance of Buildings Directive. The draft regulation on minimum energy performance requirements and building certification has not yet been finalised, hindering full compliance with EU standards.

Energy efficiency scheme and financing

96%

Serbia continues to implement Article 7 targets through alternative measures, now reported under the adopted NECP, replacing the previous National Energy Efficiency Action Plan.

Financial support for energy efficiency projects in both public and residential sectors remains active, with funding provided through the national budget and international financial institutions. In June 2025, the Government adopted a dedicated pro-

gramme for financing energy efficiency measures, in line with the Law on Energy Efficiency and Rational Use of Energy. This programme is managed by the Administration for Financing and Promotion of Energy Efficiency, established within the Ministry of Mining and Energy. In 2025, the Administration realised a public call for subsidies targeting buildings of public importance, implemented in cooperation with local governments.

Energy efficient products - labeling

95%

Serbia continued the process of alignment with EU energy labelling regulations during the 2025 reporting period. Following adoption of the Governmental Decree on Energy Labelling in May 2023, which transposed the Framework Regulation (EU) 2017/1369, further steps were taken to expand implementation. In March 2025, the Ministry of Mining and Energy adopted updated rules introducing rescaled energy labels for household tumble dryers and certain amendments to the rulebook on labelling of electronic displays, supporting gradual harmonisation with EU standards.

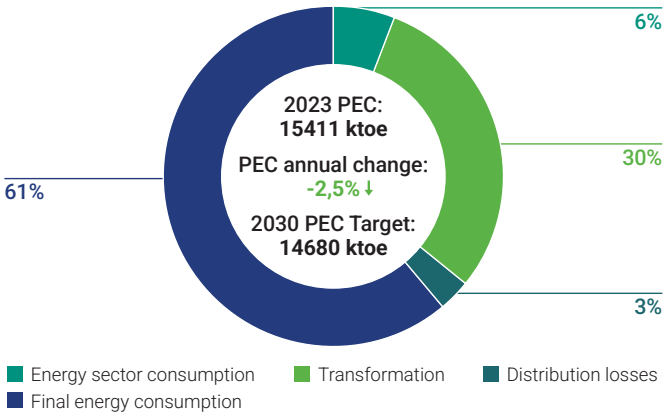
Efficiency in heating and cooling

82%

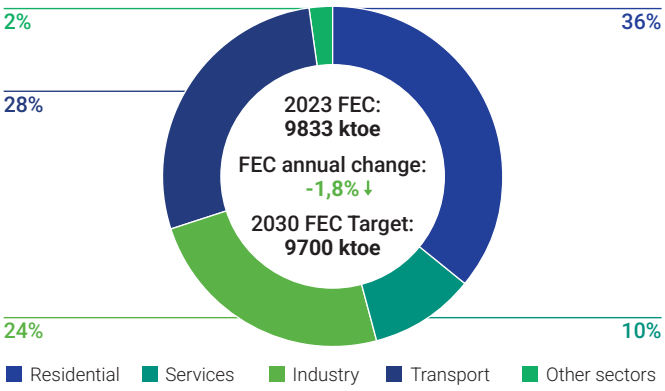
Serbia has made notable progress in implementing the legal provisions on energy efficiency in the heating and cooling sector under the EED. In particular, a comprehensive assessment of the potential for efficient heating and cooling has been prepared and officially notified to the Secretariat. With regard to the remaining provisions, gaps in the legal framework are relatively limited, the most significant being the absence of heat cost allocation rules, which remains a priority for adoption. In contrast, implementation gaps are more substantial: consumption-based billing is applied in only around one quarter of the 58 district heating networks, indicating considerable room for improvement.

2023 Energy Efficiency Indicators and Trends

Primary Energy Consumption (PEC)



Final Energy Consumption (FEC)



Energy intensity, 2023 value and trends: 0,37 ktoe/mil EUR, - 6,4% ↓

Source: Eurostat database, NECP and 2022 Ministerial Council Decision

EMISSION TRADING SCHEME
(MONITORING, REPORTING, VERIFICATION AND ACCREDITATION)

88%

Foundations, institutions, permits

93%

Through adoption of the Climate Change Law, Serbia has transposed most of the definitions and concepts from the EU Emissions Trading System (ETS) Directive, including the key obligation for GHG emitters to obtain a permit with a monitoring plan. The list of activities covered by the system and the list of GHG to be monitored and reported are defined in the legislation. The competent authority for issuing GHG permits and reviewing correctness of the monitoring methodologies contained in the monitoring plans has been appointed. The identification of stationary installations covered by the monitoring and reporting obligations and the permit approval process have commenced. A significant number of GHG permits and monitoring plans have already been approved

The national legislation also introduced corrective mechanisms in the form of financial penalties for non-compliance with GHG permitting obligations.

Monitoring and reporting

83%

The Rulebook on the Monitoring and Reporting of Greenhouse Gas Emissions transposes the provisions of Implementing Regulation (EU) 2018/2066 for stationary installations and is applied in accordance with the Law on Climate Change. The entire GHG permitting process has been digitalised through the eGHG platform, developed by the Ministry of Environmental Protection (MoEP) and hosted on its website. The platform enables electronic submission of applications and supporting documentation, provides access to adapted European Commission guidance and templates, and facilitates real-time communication between the MoEP, the Serbian Environmental Protection Agency and operators. It also hosts a public registry of issued GHG permits, which is regularly updated by the MoEP, ensuring transparency and accessibility of information.

In addition, enforcement mechanisms for non-compliance with annual GHG emission reporting obligations have been established in national law. Entities that have already been issued GHG permits and had their monitoring plans approved have started systematically monitoring their emissions in line with the new regulatory framework.

Verification and accreditation

88%

Most elements of the Accreditation and Verification Regulation EU 2018/2067 have been successfully transposed into national law through the Law on Climate Change and the Rulebook on the Verification and Accreditation of Verifiers of Reports on Greenhouse Gas Emissions. A clear legal requirement for annual GHG emission reports, verified by accredited verifiers, has been established. The Accreditation Body of Serbia (ATS) has been officially designated as the national accreditation body.

Internal preparations within ATS have progressed steadily, including the development of detailed procedures, processes and administrative measures to enable the accreditation of GHG verification bodies. Several training programmes have been organised for ATS staff and for entities intending to provide verification services.

The first verifiers have already been accredited under standards SRPS EN ISO 14065:2022 and SRPS EN ISO/IEC 17029:2020, in accordance with the Verifiers' Accreditation Regulation and Monitoring and Reporting Rulebooks.

Ensuring energy security
Serbia

ELECTRICITY SECURITY OF SUPPLY

54%

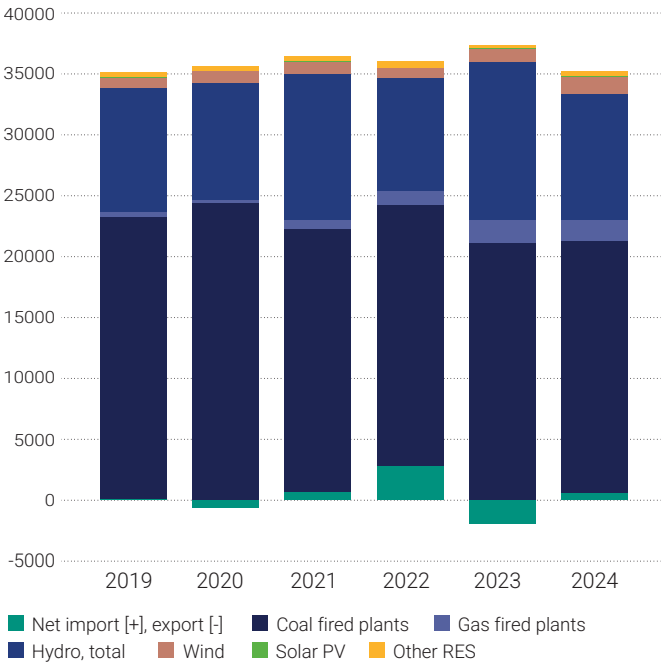
Regulation (EU) 2019/941 was transposed through the Energy Law in 2024, followed by governmental Decree on Risk Preparedness in the Electricity Sector, adopted in May 2025. The competent authority for risk preparedness is the ministry responsible for energy affairs. The Energy Community Secretariat and the Security of Supply Coordination Group have not been informed of the data and contact details of the competent authority for risk preparedness.

On 22 May 2025, the Government adopted the Regulation on the Procedure in the Event of Electricity Emergency and Restoration, which transposes Regulation (EU) 2017/2196. The TSO is obliged to operationalise the provisions of this Regulation within six months to one year of adoption, including the preparation of defence and restoration plans.

Serbia submitted its most recent Security of Supply Statements to the Secretariat in 2022 and is expected to update these every two years in line with Article 29 of the Treaty.

Serbia has introduced a new Cybersecurity Law, aligned with EU standards and the NIS2 Directive. The Government approved the law in June 2025, and it is currently under parliamentary review. The law sets out measures to protect against security risks in information and communication systems. It defines the responsibilities of entities in managing and using these systems and authorities responsible for implementing protection measures, coordinating relevant actors and monitoring compliance.

Fuel mix and primary supply of electricity (in GWh)



Source: Ministry of Mining and Energy, compiled by the Energy Community Secretariat

GAS SECURITY OF SUPPLY

5%

The Security of Gas Supply Regulation and the Storage Regulation have not been transposed. However, Serbia has complied with the storage target requirements and has a security of supply framework that predates the new mandatory acquis. This framework consists of a risk assessment, along with preventive and emergency action plans, adopted based on the previous Regulation (EU) 994/2010.

A dispute settlement case has been initiated against Serbia to address this matter.

Meanwhile, Serbia is advancing the drafting of a legal framework to align with the Gas Security of Supply acquis.

OIL SECURITY OF SUPPLY

58%

Serbia has adopted primary and secondary legislation on oil stocks to establish mandatory reserves.

The country's crude oil equivalent as of June 2025 corresponds to 43,96 days of average daily net imports, falling short of the 90-day requirement for emergency oil stocks but showing a slight increase of two days during the reporting period.

The Directorate for Energy Reserves completed the construction of four storage tanks, with a total capacity of 80.000 m³. Technical inspections and the issuance of usage permits are currently underway. By the end of the year, Serbia plans to procure 42.000 tonnes of Euro diesel and 4.300 tonnes of jet fuel, which will increase the number of days of mandatory reserves. Another key priority that has not yet been finalised is the public–private partnership model to secure the required storage capacity.

Serbia is the only Contracting Party to have submitted all required reports under Directive 2009/119/EC. These include the summary of the 2024 stock register, monthly oil statistics for January – December 2024 and January – July 2025, the COIR questionnaire and the annual report analysing measures taken by national authorities to ensure and verify the availability and physical accessibility of emergency stocks.

Improving the environment
Serbia

Environmental assessments

53%

Serbia adopted the Environmental Impact Assessment (EIA) Law, establishing the legal framework for transposing the EIA Directive, including amendments introduced by Directive 2014/52/EU, and addressing a breach identified by the Ministerial Council. Serbia is in the process of operationalising the new EIA Law through a series of secondary acts, structured according to their expected timelines. Currently, the decree determining the list of projects for which an EIA is mandatory, as well as those for which an EIA may be requested, is under adoption. In parallel, a rulebook on the content of applications requesting an EIA and on determining the scope and content of an EIA study is in preparation. Within two years of the law's adoption, Serbia plans to issue several additional rulebooks, covering the content of EIA studies, the public consultation procedure (including public insight, presentation and debate on EIA studies), the work of the technical commission for EIA study assessment, and the content, format and maintenance of the electronic database on EIA procedures and decisions. The new EIA Law provides for coordination with the appropriate assessment once the secondary legislation is adopted. It also addresses a key legal gap previously identified by the Secretariat by explicitly requiring that projects obtain an EIA decision before applying for development consent. However, the legislation does not yet introduce safeguard mechanisms to prevent unauthorised energy projects from proceeding without the necessary permits and EIA approvals. During the reporting period, a total of 28 EIAs were conducted in Serbia, including ongoing procedures for the modernisation of Block A6 at the Nikola Tesla A thermal power plant, oil and dissolved gas exploitation activities, a new waste-to-energy facility, several transmission line projects and an updated EIA for the construction of a wind farm at the Kostolac site. No exemptions under Articles 2(4) or 2(5) of EIA Directive were granted in Serbia during the reporting period and the Secretariat was not notified of any EIA procedures being carried out for Projects of Energy Community Interest under Article 4 of Decision 2016/12/MC-EnC.

PERMIT STATUS:

Streamlined approval process pending

Serbia adopted the Strategic Environmental Assessment (SEA) Law, strengthening the SEA framework and ensuring further alignment with the SEA Directive. However, the secondary legislation establishing a technical SEA commission for reviewing SEA and governing public participation in the SEA procedures has not yet been adopted. The law provides for a three-year transitional period for establishment of a central database and web portal. Serbia did not report any network energy plans as having undergone a SEA.

Large combustion plants

50%

Serbia complied with its reporting obligations under the Large Combustion Plants Directive for the 2024 reporting year. Emissions of all three pollutants decreased further compared to the 2023 reporting year, a positive trend that should be maintained. At the same time, due to the combined effect of the high baseline and the progressive reduction of National Emission Reduction Plan (NERP) ceilings between 2024 and 2027, sulphur dioxide emissions still exceed the NERP ceilings by several times despite a significant reduction in absolute emissions of almost 30%. The positive track record of compliance with dust ceilings was maintained at the level of the lower 2024 ceiling, a positive trend that should be sustained in the coming years. The breach of the ceiling for nitrogen oxides, first observed in the 2023 reporting year, remains in place. The dispute settlement procedure for non-compliance with the NERP ceilings has been open since March 2021. Due to the lack of progress, the Secretariat advanced the case by issuing a Reasoned Opinion. The four large combustion plants not included in NERP and operating under the opt-out regime were still in operation in the 2024 reporting year, albeit with reduced operational hours. Those plants can only remain in operation if they meet the requirements of the Industrial Emissions Directive for new plants.

Installations under the Large Combustion Plants Directive

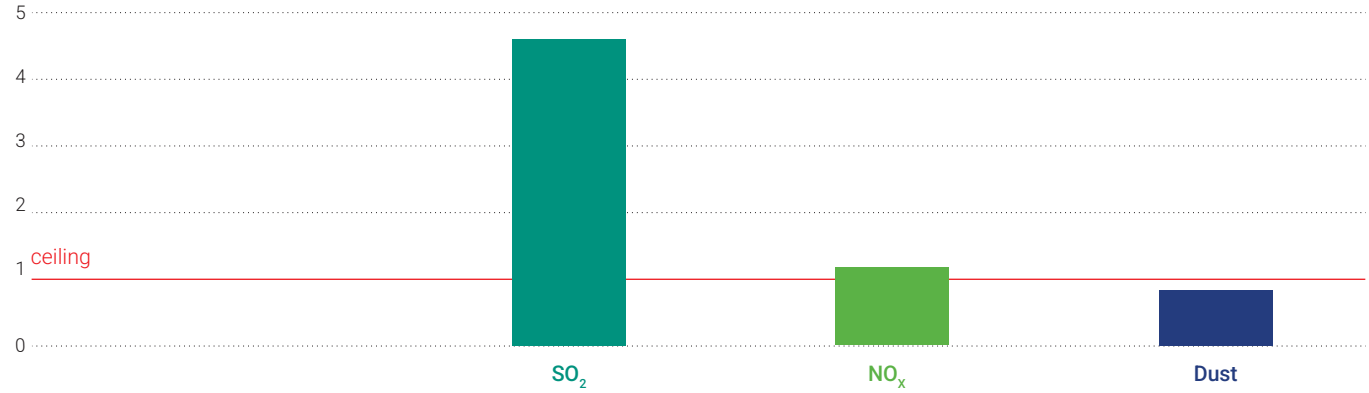
17 of plants falling under the LCPD

4 of which opted out plants

13 of which plants falling under the NERP

Source: compiled by the Energy Community Secretariat

2024 emissions versus NERP ceilings



	SO_2	NO_x	Dust
2024 emissions by all plants under the LCPD	223.859	32.617	5.143
Annual change	-30,6% ↓	-3,3% ↓	-12,2% ↓
2024 emissions by plants under the NERP	205.991	30.822	4.208
Annual change	-30,4% ↓	-4,1% ↓	-6,6% ↓

Source: compiled by the Energy Community Secretariat

Sulphur in fuels

92%

Serbia has transposed the provisions of the Sulphur in Fuels Directive. Sampling and analysis of heavy fuel oil and gas oil are carried out in accordance with the annual fuel quality monitoring programme.

Nature protection

80%

No changes to legislation related to nature protection have been reported since the last reporting period. While the legal framework provides for appropriate assessment in line with EU requirements, its practical implementation remains pending until the adoption of the relevant secondary legislation. During the reporting period, Serbia adopted several management plans for protected areas. Plans commencing in 2024 cover the area with exceptional features Planina Cer and the nature monuments Krupajsko Vrelo, Homoljska Potajnica, Vrelo Mlave, Resavska Pećina, Lisine, Đavolja Varoš and Dubočka Pećina Gaura Mare. Those starting in 2025 include the strict nature reserves Kukavica, Mustafa and Felješana; the special nature reserves Klisura Reke Mileševke, Jerma and Mala Jasenova Glava; the Nature Park Mali Bosut; the areas with exceptional features Kamena Gora; and the nature monuments Promuklica and Prerasti u kanjonu Vratne. In terms of species protection, Serbia continued updating the Red Book of Fauna, publishing volumes on Fish Fauna and Aquatic Invertebrates in 2024. The Red Book of Birds, published in 2019, documents 352 taxa, identifying 14 species that have disappeared as nesting birds and 49 species with vulnerable non-nesting populations.

Environmental liability

10%

Serbia has transposed certain provisions of the Environmental Liability Directive through the Law on Environmental Protection. No progress was made during the reporting year regarding further transposition of the Directive, meaning transposition remains at an initial stage. Information on financial instruments to secure administrative liability covered by the scope of the Directive is not yet available; these instruments are to be developed following adoption of the Law on Environmental Liability.

Performance of authorities
Serbia

REGULATORY AUTHORITY 87%

Legal setup and independence

Designation and independence of the Energy Agency of the Republic of Serbia (AERS) are governed by the Energy Law, adopted in 2004 and last amended in November 2024. These amendments introduced a number of new regulatory tasks aiming at aligning the duties and obligations of the regulator with the Electricity Integration Package (EIP).

AERS is not subordinated to any other institution and is accountable to the National Assembly, to which it submits annual reports. The legal framework governing the independence of AERS is largely in line with the Energy Community acquis.

The members of the AERS council, including its president, are elected by the National Assembly. The president and council members are elected for terms of five to seven years ensuring a rotation mechanism. During the reporting period, the National Assembly appointed four council members. These processes have experienced some delay. The council president's first seven-year mandate expired during the reporting period and an election procedure is to be launched. However, these delays do not jeopardise the regular functioning of AERS, as the council members remain in their positions until new members are elected. AERS is empowered to make autonomous decisions; no other Government institution can overrule its decisions. The only exception concerns approval of licences, in which the relevant ministry acts as the second instance.

The functioning of the regulator is financed primarily though regulatory fees, calculated as a percentage of the revenues of the regulated network companies, as well as through licensing and other fees. The financial plan of AERS is subject to the approval of the National Assembly, but AERS has the autonomy to allocate its budget as best corresponds to its tasks. If the National Assembly does not approve the financial plan for the upcoming year on time, the regulator may continue to operate under the budget adopted for the previous year. During the reporting period, no issues were observed with respect to financing.

AERS regulates activities in the electricity and natural gas sector, with additional competences in the oil sector. Its activities in the electricity sector also include tasks related to support schemes for renewable energy and guarantees of origin. The duties and obligations of the regulator are aligned with the requirements of the Electricity and Gas Directive.

The 2024 amendments to the Energy Law introduced substantial changes to the enforcement powers of AERS. Specifically, AERS is now entitled to issue not only warnings, but also financial penalties to electricity and gas suppliers and network operators. The financial penalties can reach up to 15% of the given company's annual turnover and are payable to the national budget. The methodology for calculating penalties was adopted by AERS in June 2025. No cases of penalties were recorded during the reporting period. The regulator can also impose temporary bans or, for repeated and serious breaches, a permanent ban on exercising managerial functions for a member of the management body or another responsible natural person in an energy entity. The regulator is also entitled to initiate proceedings before the competent court. By empowering AERS to enforce its decisions in a more effective manner, Serbia improved the legal framework governing its energy sector.

The autonomy of the regulator with respect to its internal organisation is limited by the requirement to have its statutes approved by the National Assembly. Additionally, before commencing the staff recruitment procedure, AERS is obliged to obtain the consent of the relevant National Assembly body. The requirements for candidates for staff members are determined solely by the regulator, whose representatives serve as the sole members of the staff selection committee. Considering that AERS acquired numerous new competences in November 2024, a staff expansion process has been launched to reflect its extended responsibilities.

Activities in the reporting period

In the electricity sector, AERS approved the investment plans of the transmission and distribution network operators for the period 2024–2026, as well as amendments to the market rules and to the distribution network code. AERS also approved the operational limitations for generation and storage facilities connecting to the transmission system.

In March 2025, AERS adopted amendments to the methodology for setting the electricity price for guaranteed supply, introducing different prices for different levels of consumption i.e. "block tariffs". This methodology was then amended in August 2025 to lower the threshold for the "red" consumption band (with the highest price per unit) from 1600 to 1200 kWh. At the same time, AERS adopted new electricity transmission and distribution tariffs, increasing them by 10% and 16%, respectively. The prices for guaranteed supply also increased for households

and small customers by 6,6% on average, reflecting the rises in network tariffs. The price and tariff increases are effective as of October 2025.

In April 2025, AERS adopted three reports on the need for further regulation of prices for guaranteed supply of electricity, procurement of ancillary services and supply of last resort. While the activities of the regulator are in line with the Energy Law in terms of price regulation, it should be noted that this law does not adequately transpose the requirements of the Electricity Directive with respect to price interventions. Specifically, price interventions are permitted only for households and microenterprises under certain preconditions. Not all the preconditions stipulated in the directive are reflected in the law, and price regulation is no longer allowed for all small customers.

In the gas sector, AERS certified the gas TSO, Transportgas Srbija, in line with the recommendations provided by the Secretariat in November 2024. The regulator also approved the transmission network code of Transportgas Srbija, as well as the company's report on the establishment and implementation of interim measures for balancing transmission networks. Both documents are largely compliant with Regulations (EU) 2017/459 and 312/2014.

Regarding the implementation of Regulation (EU) 2017/460, AERS adopted a methodology for setting natural gas transmission tariffs. The draft of this methodology was subject to analysis by the Energy Community Regulatory Board (ECRB) in 2024 and was assessed as compliant with Regulation (EU) 2017/460. In July 2025, AERS adopted the transmission network tariffs for two TSOs, Transportgas Srbija and Yugorosgaz-Transport, established for the period 1 October 2025 to 30 September 2028. It also approved development and investment plans for the TSO Yugorosgas Transport and two gas distribution system operators.

Regarding REMIT, secondary legislation is in place; however, no cases were initiated during the reporting period.

COMPETITION AUTHORITY

50%

Legislative framework

Serbia's Law on Protection of Competition contains a prohibition of anti-competitive agreements and concerted practices, as well as a prohibition of abuse of dominance, largely in line with the Energy Community acquis. A range of secondary legislation and guidelines exists, such as on market definition and category-based exemptions.

The Law on Protection of Competition establishes the Commission for Protection of Competition (CPC) as an independent authority responsible for the protection of competition. CPC consists of two ruling bodies; the president and council, which has five commissioners, as well as the office of the president and the professional service numbering 53 staff members, including 32 case-handlers.

Institutional framework

CPC has the investigative powers to conduct unannounced inspections at companies and private premises, as well as to issue requests for information and conduct interviews to gather evidence; furthermore, a leniency programme to report illegal behaviour is in place. In addition, CPC has the power to order the cessation of illegal practices and to impose remedies (including interim measures and commitments) and fines.

Implementation

While CPC holds all necessary powers, it did not engage in any enforcement activities in the energy sector during the reporting period. Although classical law-enforcement action was practically absent in the energy sector, CPC was active in developing secondary legislation and conducting sectoral market studies in previous reporting periods; however, no enforcement activities followed these initiatives.

CPC is encouraged to use its powers to actively investigate anti-competitive behaviour in the energy sector to ensure full implementation of Serbia's obligations under the Treaty.

STATE AID AUTHORITY

55%

Legislative framework

Serbia's system for State aid control is governed by the Law on State aid Control, which establishes a general prohibition of State aid and sets out grounds for compatibility, largely in line with the Energy Community acquis. Additionally, an extensive list of secondary acts is in place, providing guidance on specific processes and types of aid. A regulation on the compliance of State aid in the energy sector is currently under preparation.

Institutional framework

The Commission for State Aid Control (CSAC) is the national authority responsible for enforcement of the State aid prohibition. It is composed of a council of five members, acting as decision-making body, supported by 21 staff members, with further recruitment efforts being undertaken.

CSAC possesses the power to investigate (including requesting information) and assess potential State aid measures, as well as to authorise aid or order recovery of unlawful aid.

Implementation

CSAC undertook the following enforcement activities during the reporting period:

Activity in the reporting period	In the energy sector
Requests for information	0
Opening of investigation	0
Decisions on the authorisation of State aid	1
Decisions on illegal and incompatible aid	0
Decisions on ordering aid recovery	0

The decision adopted by CSAC during the reporting period concerned State aid in the form of a market premium to producers of electricity from renewable sources, awarded through public, transparent and competitive auctions.

While Serbia has a robust legal framework in place, as well as extensive expertise within CSAC, it is now in a position to further boost its enforcement activities in the energy sector.

STATISTICAL AUTHORITY

97%

The Statistical Office of the Republic of Serbia (SORS) is responsible for national energy statistics. Annual questionnaires, including biomass, household, industry and transport disaggregated consumption data, as well as the SHARES questionnaire, are submitted to Eurostat without issues. Preliminary data for 2024 were also submitted via mini questionnaires.

Disaggregated services consumption data are still missing, with SORS confirming that the first submissions are expected in the next reporting cycle. The inclusion of these data will complete the full sectoral coverage of disaggregated energy consumption, further strengthening Serbia's compliance with Eurostat requirements.

In cooperation with the Ministry of Mining and Energy, SORS submits monthly data on electricity, coal, natural gas, oil and oil stocks in line with Eurostat requirements. Bi-annual electricity and natural gas price data for households and industry, broken down by consumption bands and price components, are also reported on time, accompanied by the required quality reports.

SORS consistently demonstrates a strong capacity for timely and accurate reporting. The key challenge remains the absence of disaggregated consumption data for services, which is expected to be addressed through the MB IPA 2022 project. It is necessary to expand and further strengthen human resources and expertise to meet the need for more detailed data and respond to new requirements and technologies.

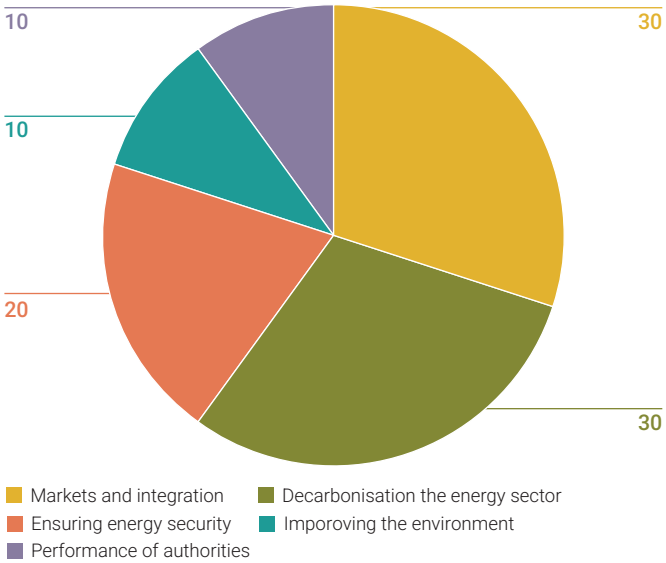
Methodology

Background

For its assessment underpinning the findings of this report, the Secretariat used specific indicators for the assessment of implementation, and a methodology to calculate the summary indicators and the overall implementation score.

The implementation indicator tables are based on a methodology quantifying the Contracting Parties' success in transposing and implementing the acquis and having in place effective institutions. It is based on standardised assumptions and evaluations, cases under the Energy Community's dispute settlement mechanism, country missions, review of legislation, market analysis, expert interviews and desk research. The quantification of all figures used to measure implementation was performed by experts of the Energy Community Secretariat.

The final dataset entailed more than 2.000 individual values that were used to produce 40 key implementation indicators across the areas of work assessed by this Implementation report. To underscores the Energy Community's dedication to advancing towards a cleaner and more integrated energy market, the Report groups the 40 indicators in five clusters.



In 2025 the weighting of the five clusters remains unchanged, allowing for clearer identification of improvements and trends over time.

Implementation assessment

The implementation assessment is based on a system of performance indicators aggregated at several levels.

A total of **40 implementation indicators** agregated per each Contracting Party across the areas of work: electricity, gas, oil, governance and climate, renewable energy, energy efficiency, emission trading scheme, environment, climate, including national regulatory, competition, State aid and statistics authorities. Aggregation is based on the weighting explained in the table below, and results presented for each Contracting Party (chapters 6-14);

Five cluster implementation indicators aggregating the values at cluster level: Markets and integration (10 indicators), Decarbonising the energy sector (18 indicators), Ensuring energy security (3 indicators), Improving the environment (5 indicators), Performance of authorities (4 indicators).

Summary indicators – the overall implementation score for each Contracting Party and overall (average) implementation score for the Energy Community calculated based on the weighting explained in the table below, and presented on page 8.

All of the values are normalised to percentages between 0% and 100%, where 100% implies full implementation.

For the Contracting Parties where certain indicators are not applicable (for example due to the lack of a gas market in Kosovo* and Montenegro), these indicators were not taken into account in the overall score, but the remaining indicators were increased in weight, where justifiable.

To sharpen the reporting and evaluation focus, one decarbonisation indicator (governance and climate) was removed from the 2025 assessment.

DISCLAIMER

The present assessment is not designed to be a comprehensive study of the legislative and institutional framework or law-enforcement in the Contracting Parties, but rather serve as a succint overview. In no way it should be relied upon for the purposes of adoption of any investment/business decisions or policy-making.

Implementation indicator structure and weighting

Indicator name	Indicator weight
Overall Implementation Indicator	**1,00**
1 Markets and integration	**0,30**
1.1 Electricity	**0,50**
Wholesale market	0,20
Retail market	0,20
Unbundling	0,10
Access to the system	0,20
Regional integration	0,30
1.2 Gas	**0,50**
Wholesale market	0,20
Retail market	0,20
Unbundling	0,25
Access to the system	0,25
Regional integration	0,10
2 Ensuring energy security	**0,20**
Electricity	0,04
Gas	0,04
Oil	0,02
3 Decarbonising the energy sector	**0,30**
3.1 Governance and climate	**0,30**
National Energy and Climate Plans (NECPs)	0,25
Greenhouse gas 2030 target	0,25
National systems for climate reporting	0,25
Long-term strategy and climate neutrality	0,25
3.2 Renewable Energy	**0,30**
2030 renewable energy targets	0,20
Quality of support schemes	0,20
Self-consumption and energy communities	0,15
Guarantees of origin	0,15
Sustainability criteria for biofuels, bioliquids and biomass fuels	0,15
Renewable energy in the heating and cooling sector	0,15
3.3 Energy Efficiency	**0,30**
2030 energy efficiency targets and policy measures	0,20
Energy efficiency in buildings	0,20
Energy efficiency scheme and financing	0,20
Energy efficient products - labelling	0,20
Efficiency in heating and cooling	0,20
3.4 Emission Trading Scheme (Monitoring, Reporting, Verification and Accreditation)	**0,10**
Foundations, institutions, permits	0,33
Monitoring and reporting	0,33
Verification and accreditation	0,33
4 Improving the environment	**0,10**
Environmental impact assessment (EIA) and strategic environmental assessment (SEA)	0,30
Sulphur in fuels	0,15
Large combustions plants and industrial emissions*	0,30
Nature protection	0,15
Environmental liability	0,10
5 Performance of authorities	**0,10**
Regulatory authority	0,60
Competition authority	0,10
State aid authority	0,10
Statistical authority	0,20

* in the case of Albania, the "Large combustions plants and industrial emissions" indicator is omitted from the final result as the Contracting Party does not have any plants in operation