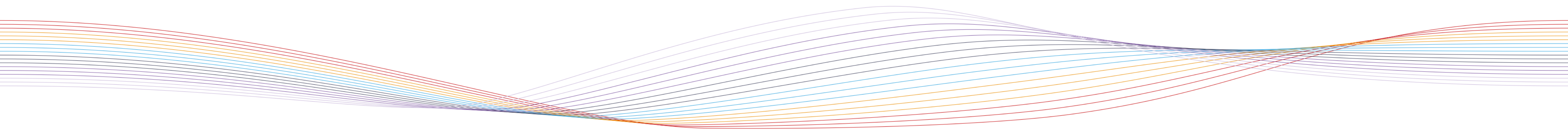


3 April 2025

Progress in gas market development & integration

Pawel Lont, European Gas Markets Manager

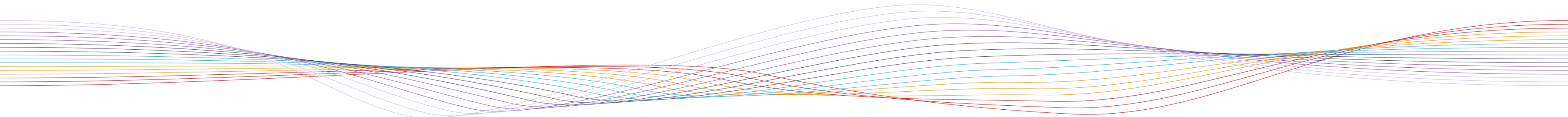


Trader's perspective – snapshot from 2024

Highlights from 2024

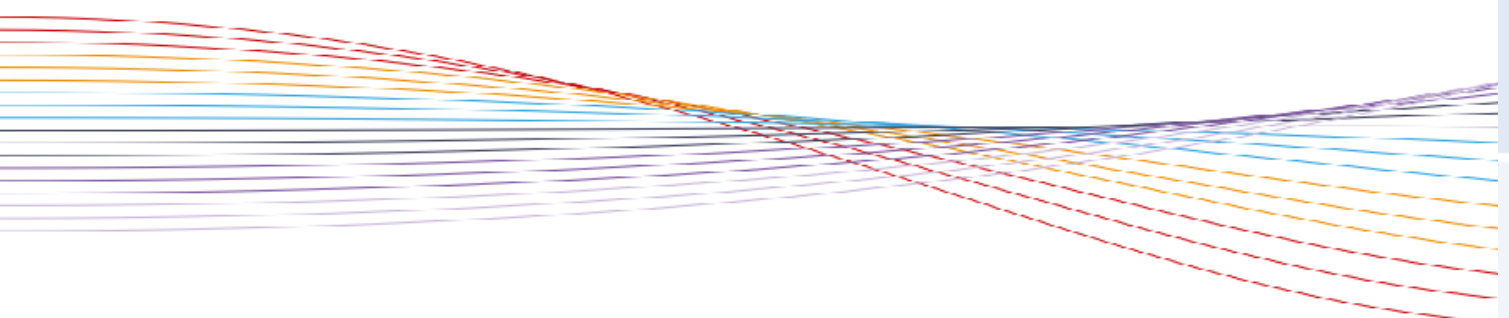
- Hungary continues to be the best performer among the developing hubs
- Considerable progress made in Moldova
- Continued efforts in Ukraine to rely on its market

Initiatives such as SEEGAS signal that there is understanding for the need to better integrate in the region



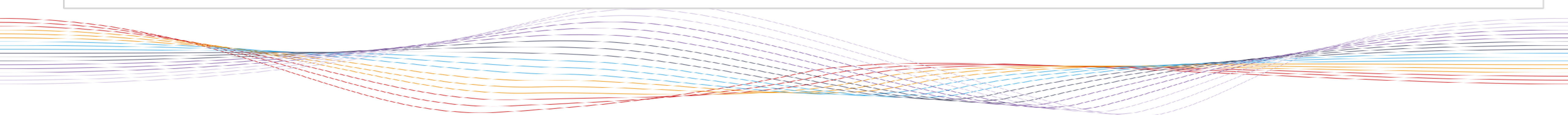
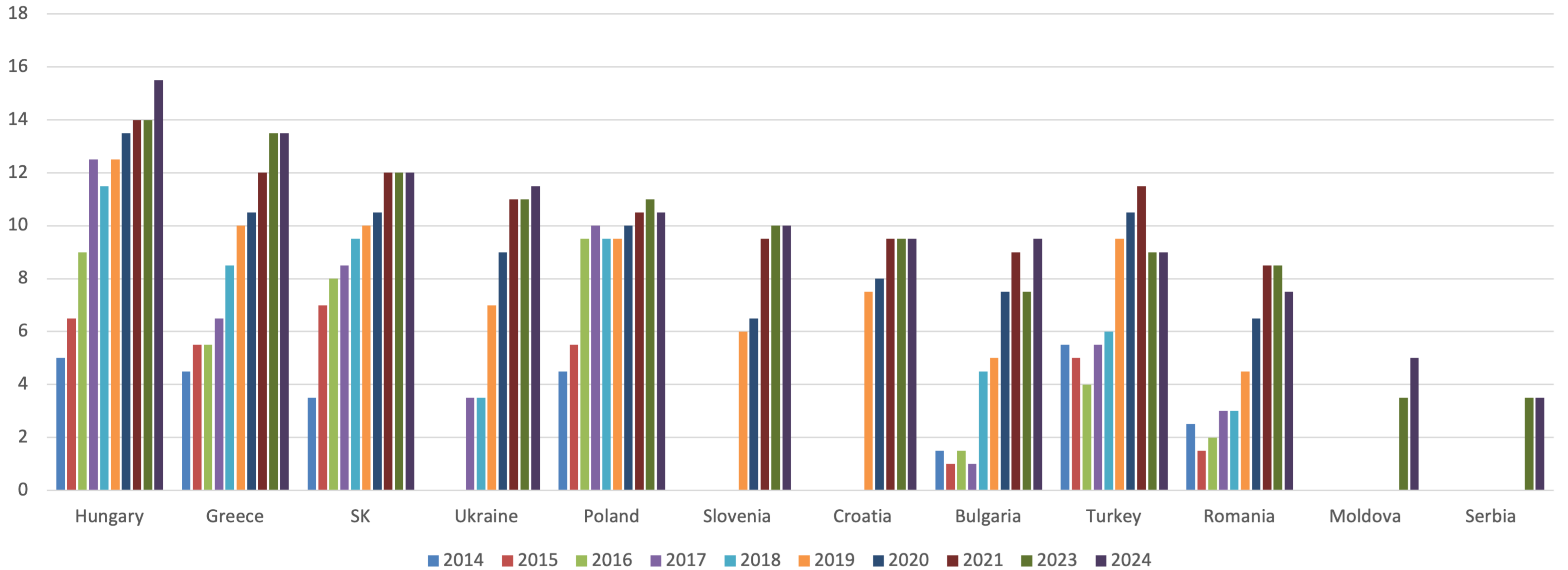
Criteria	Heading 2024	PL	HU MGP	SK	Greece	Turkey	Romania	BG	Ukraine	Slovenia	Croatia	Moldova	Serbia
1.a	Transparency and consultation	1	1,5	1	1	0,5	0,5	1	1	1	1	0,5	0,5
1.b		1,5	1,5	1	1,5	0,5	1	1	1,5	1,5	1	1	1
2	Entry-exit system established	0,5	1	1	1	1	1	1	1	1	1	1	0,5
3	Title Transfer	1	1	1	0,5	0,5	0,5	0,5	0,5	1	0,5	0,5	0,5
4	Cashout rules (long short positions imbalances set to zero at the end of the day with payment/receipt of imbalance charge in local currency/MWh)	1	1	1	1	1	1	1	0,5	1	1	0	0,5
5	TSO system balancing	1	1	0,5	1	1	1	0,5	1	1	1	0	0
6.a	Licensing and reporting obligations	0	0,5	1	1	0,5	0	1	0,5	1	1	0	0
6.b	Market interference	0	0,5	1	1	0	0	0	0,5	1	0,5	0,5	0
7	Resolve market structural and concentration issues (defined role for historical player if flexibility/liquidity is scarce)	0	1	0	1	0	0	0	0	0	1	0	0
8	NRA fees or Hub fees (not fees relating to participating on a exchange or trading platform)	0,5	0	0,5	1	0,5	0	0,5	1	0,5	0,5	1	0,5
9	Establish a reference price at the hub for contract settlement in the event of default	1	1	0,5	1	1	1	1	1	1	1	0	0
10	Standardised contract	1	1	1	1	1	0	1	1	0	0	0	0
11	Price Reporting Agencies producing daily prices at the hub	1	1	1	0	0,5	0,5	0	1	0	0	0	0
12	Voluntary market makers operating at the hub	0	0	0	0,5	0	0	0	0	0	0	0	0
13	Brokers	0	1,5	1,5	0	0	0	0,5	0	0	0	0	0
14	Establishment of exchange	1	1,5	0	1	1	1	0,5	0,5	0	0	0,5	0
15	Hub price becomes reliable and used as benchmark	0	0,5	0	0	0	0	0	0,5	0	0	0	0
16	Hub spot (shorter than monthly products) liquidity	0	0	0	0	0	0	0	0	0	0	0	0
Total		10,5	15,5	12	13,5	9	7,5	9,5	11,5	10	9,5	5	3,5

Highlights from 2024: scores to date



Highlights from 2024 – results

2024 Gas Hub Benchmarking Study



Trader's perspective – current issues

Major challenges still persist in the region

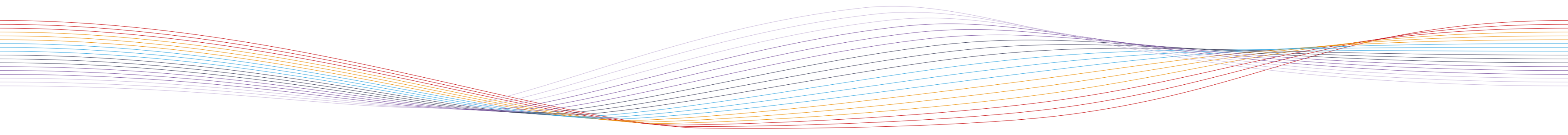
- **General issue** – tariff predictability, licensing & reporting requirements, storage obligations
- **Romania**, the one country that moved back on its score, is also quite central to the Seegas initiative
 - Diverging licensing requirements for residents & passported entities
 - Additional taxation on trading, fixed price for production deter market activity
- **Bulgaria** – GRP removed, but works on clearing progressing
- **Hungary** (but not only)
 - Unclear approach to transit for license fee calculation



Trader's perspective – current issues

National implementation of REMIT-like solutions

- Ukraine's efforts to fully implement the EU acquis are highly appreciated although any national deviations from the agreed processes create exposure and discourage trading
- We strongly encourage EnC Contracting parties to engage in the ongoing process of harmonized adoption of REMIT led by the Energy Community Secretariat



Trader's perspective – outlook

Considerable potential of the local market still to be unlocked

- Neptun Deep
- Initiatives on clearing
- Initiatives on REMIT
- Continued efforts under SEEGAS

... in short, the region is attractive and can develop a remarkably liquid gas market as long as it stands together.

Still a lot of work is needed to improve transparency and stability of the regulatory environment in the region.



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