Improving market functioning in the Energy Community
Implementation of the acquis - indicators snapshot

Overview of Implementation Performance by Contracting Parties

- Albania: 54% +7%
- Bosnia and Herzegovina: 39% +3%
- Georgia: 36% +12%
- Kosovo*: 56% +8%
- Moldova: 45% +1%
- Montenegro: 69% +6%
- North Macedonia: 59% +0%
- Serbia: 56% +0%
- Ukraine: 61% +12%

EnC average: 53% +5.3%

Source: ECS
Network codes implementation

Mandatory: only for IPs between two Contracting Parties (for UA-MD and RS-BiH at 6 IPs)

Voluntary - EU MS – EnC CP IPs PL, HU, RO NRA – decisions to implement NCs with CPs

INT NC:
14 out of 20 IPs covered by ICAs agreements (missing ICAs at: BG-MK border, MD-RO border and 4 points at UA-RO border)

The map shows implementation of CAM NC
Case study - Ukraine

Ukraine very integrated into EU gas markets

Current challenges:
- temporary energy units
- gas release program (Naftogaz’s market power as distortion)
- capacity use and offering on IPs – public consultation ECS-ACER

Ukrainian Energy Exchange is the “biggest” independent trading platform with c. 8% of the gas market volumes in 2020

UEEX supported by the Energy Community Secretariat and EBRD
- Initiative for a central gas exchange (summer 2019)
- MoU with the Ministry (July 2020)
- MoU with the TSO (October 2020)
South East and East European Gas (SEEGAS) Platform

- Coordination platform with focus on Gas exchanges and market integration
- SEEGAS Trans-regional Memorandum of Understanding under development
- Specialized Stakeholder meeting on Clearing planned in mid of June
- Energy Community Secretariat as coordinator

Map shows participating stakeholders
**Case study - Serbia**

Lack of 3 Serbian TSOs unbundling

With Gastrans (Turkish Stream) start of the operation, the Horgos IP remains idle
ECS report on methane emissions by the gas system operators

6/15 TSOs

93% of total transmission network covered by the report

≈ 150 Bcm of natural gas transported in 2019

33/136 DSOs

71% of total distribution network covered by the report

≈ 200 kt CH₄ emitted in 2019
EnC Hydrogen Study preliminary findings

1. **Power Gen and Grid Services**
   - RES balancing and H₂ drivers (coal)
   - RS, BA, KO* (high coal dependency); GE interest in seasonal storage

2. **Industry – Ammonia and Steel**
   - Decarbonisation drive and notable domestic industry
   - UA & MK – relevant industry’s large share in GDP; RS, MK, BA, KO* - decarbonisation drive is high

3. **Blending or CH₄ replacement for space heating**
   - Existing/in construction gas infra and/or district heating
   - GE, UA, MD, (SR) developed networks, (MK in development)

4. **H₂ for export**
   - Best low-cost green H₂ production potential
   - UA, GE, MD, AL with high RES potential

5. **Transport focus – major freight corridors**
   - Corridors with highest freight volume
   - RS, MK (corridor to GR and BG-TR), UA
PECI and PMI Gas projects 2020, along with the Flagship projects:

European Commission’s Flagship priority projects: