



Četvrti
ENERGETSKI SAMIT
u Bosni i Hercegovini



USAID
OD AMERIČKOG NARODA



german
cooperation
DEUTSCHE ZUSAMMENARBEIT

Implemented by

giz Systems International
an international GIZ unit



Ministarstvo energije, toplotne
i korisne toplote BiH



Državno regulatorna komisija
za električnu energiju BiH



Regulatorna komisija za električnu
energiju Republike Srpske BiH

Implemented by

FERK
Regulatorna komisija za energiju
u Federaciji BiH (FERK)



“REFORM AGENDA” FOR THE ESTABLISHMENT OF THE ELECTRICITY MARKET - WESTERN BALKAN 6 INITIATIVE -



Six Western Balkan countries (WB 6) signed a Memorandum of Understanding on April 27, 2016 in Vienna undertaking the commitment to implement legislative and regulatory measures necessary for the establishment of market-based electricity trade

THE WB6 INITIATIVE IS AN UPDATED **REFORM AGENDA** FOR THE ELECTRICITY SECTOR AND THE FULFILMENT OF OBLIGATIONS UNDER THE ENERGY COMMUNITY TREATY

“REFORM AGENDA” FOR THE ESTABLISHMENT OF THE ELECTRICITY MARKET - WESTERN BALKAN 6 INITIATIVE -



The Council of Ministers took note of the Information on the Western Balkan 6 Initiative on March 8, 2017 and tasked MOFTER to “work actively on the implementation” of the WB6 Road Map in BiH, together with other competent BiH institutions

“REFORM AGENDA” FOR THE ESTABLISHMENT OF THE ELECTRICITY MARKET - WESTERN BALKAN 6 INITIATIVE -



THE REFORM AGENDA HAS FOUR OBJECTIVES:

Objective I: Development of the Day-Ahead Market (DAM)

Objective II: Cross-border balancing

Objective III: Regional allocation of transmission capacities

Objective IV: Implementation of “cross-cutting” measures: power sector reform

Objective I: Development of the Day-Ahead Market (DAM)



- Objective I hinges on the development of the spot market and market coupling with other power exchanges in the region
- This objective requires the adoption of a law at the BiH level that would facilitate the establishment of an organized electricity market and align the organization of the sector with the 3rd Energy Package
- It is necessary to harmonize the VAT system with regional guidelines and to remove obstacles in the public procurement system

Objective IV: Implementation of “Cross-Cutting” Measures



- Eliminate regulation of generation in the RS
- Adopt measures for ensuring the independence of regulatory commissions
- Unbundle DSO from other functions in the electric utility companies
- Establish TSO in accordance with the provisions of the 3rd Energy Package
- Implement Regulation 347

What we talked about in 2016?



- DSO unbundling one of the key requirements not fulfilled with regard to the transparent functioning of the retail market
- The WB 6 Initiative places important tasks before the sector in terms of adopting laws necessary for the implementation of the 3rd Energy Package
- BiH must adopt a position on the establishment of a power exchange
- It is necessary to immediately begin with the implementation of the so-called cross-cutting measures, which requires the preparation of an Action Plan
- Eliminate the influence of the Law on Public Procurement on the functioning of the electricity market

What we talked about in 2017?



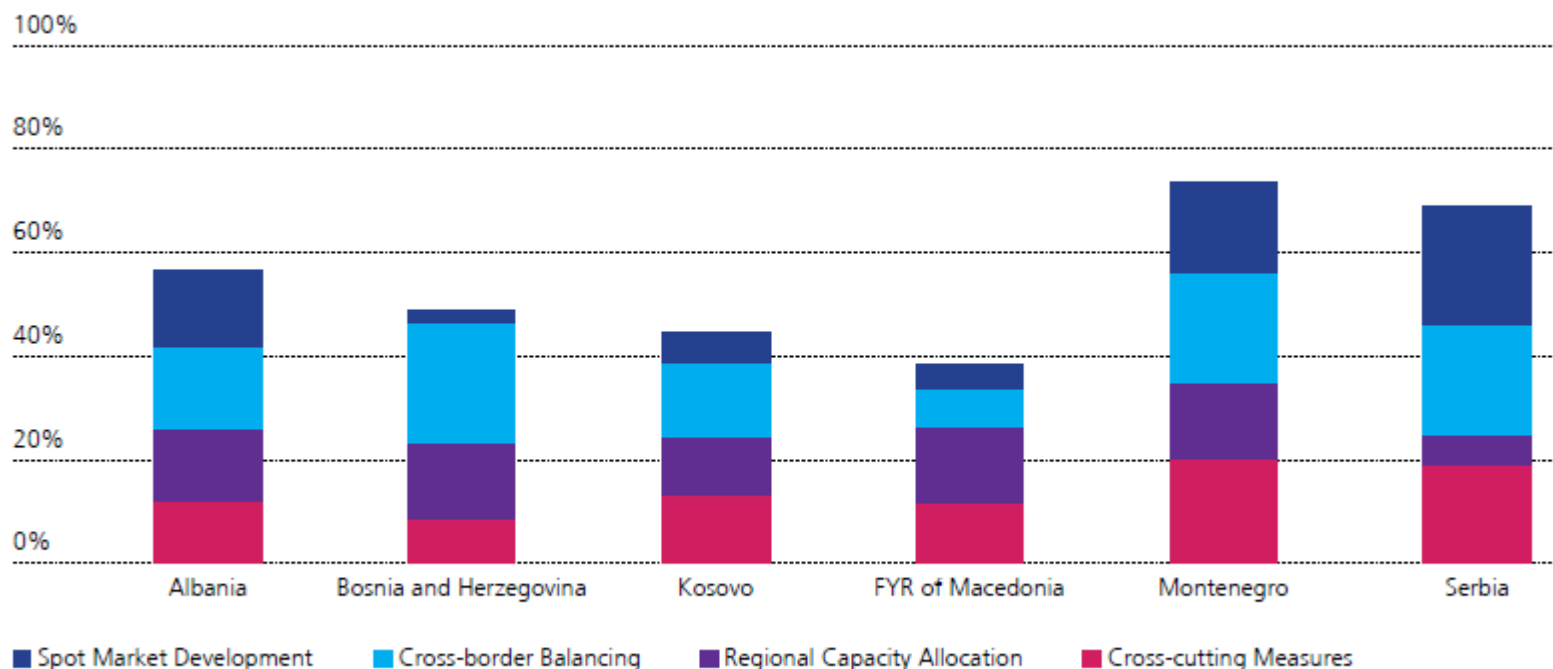
- Much of this panel focused on the Law on the Electricity and Natural Gas Sector Regulator, Electricity Transmission System and Market in Bosnia and Herzegovina
- This Law is also important for creating conditions for the development of the Day-Ahead and Intraday markets, as well as for market coupling in the region
- DSOs need to be unbundled from the vertically integrated undertakings in order to further improve the retail electricity market

Where are we today?

Implementation of WB 6



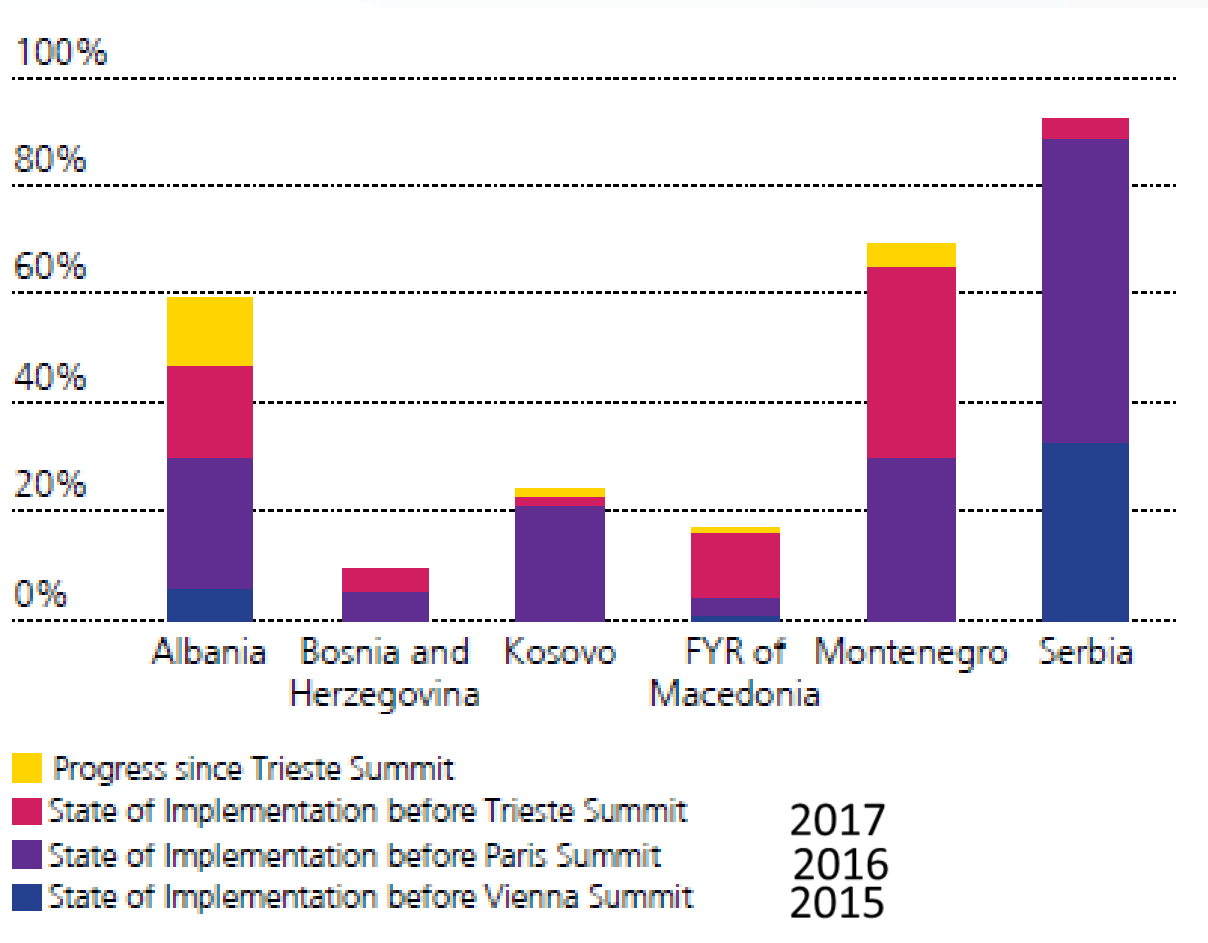
Overall Implementation of Soft Measures



Energy Community Secretariat's WB6 Electricity Monitoring Report 3/2018

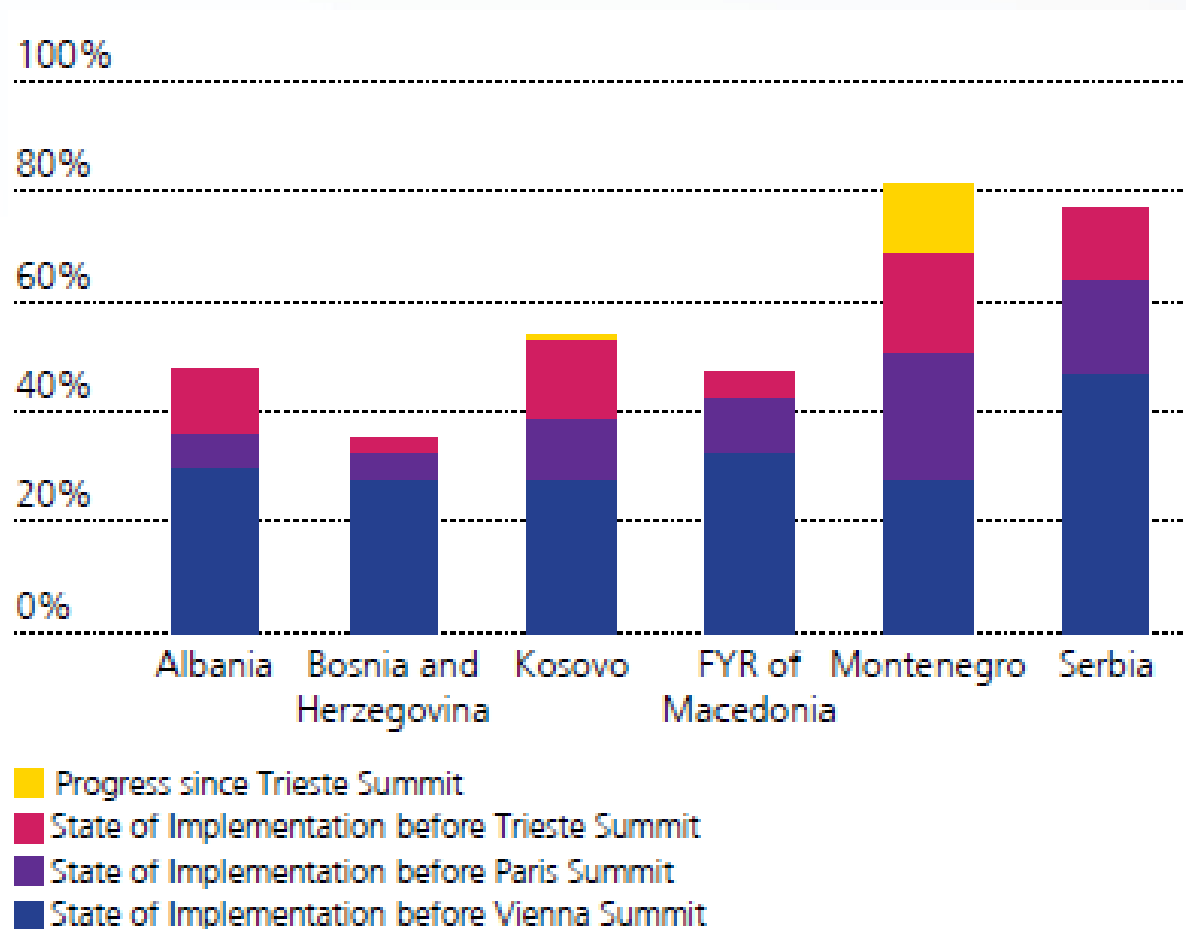
Where are we today?

Establishment of the organized market



Where are we today?

Implementation of the 3rd package and deregulation



What we propose today?



- Adoption of laws that will facilitate the implementation of the 3rd Energy Package
 - Law at the BiH level
 - RS Law
 - FBiH Law and Action Plan for restructuring electric power companies
- Deregulation of electricity generation
- Adoption of social programs
- DSO unbundling from other functions
- Being a (pro)active participant in regional processes
- Urgently regulate the gas sector in accordance with the provisions of the 3rd Energy Package