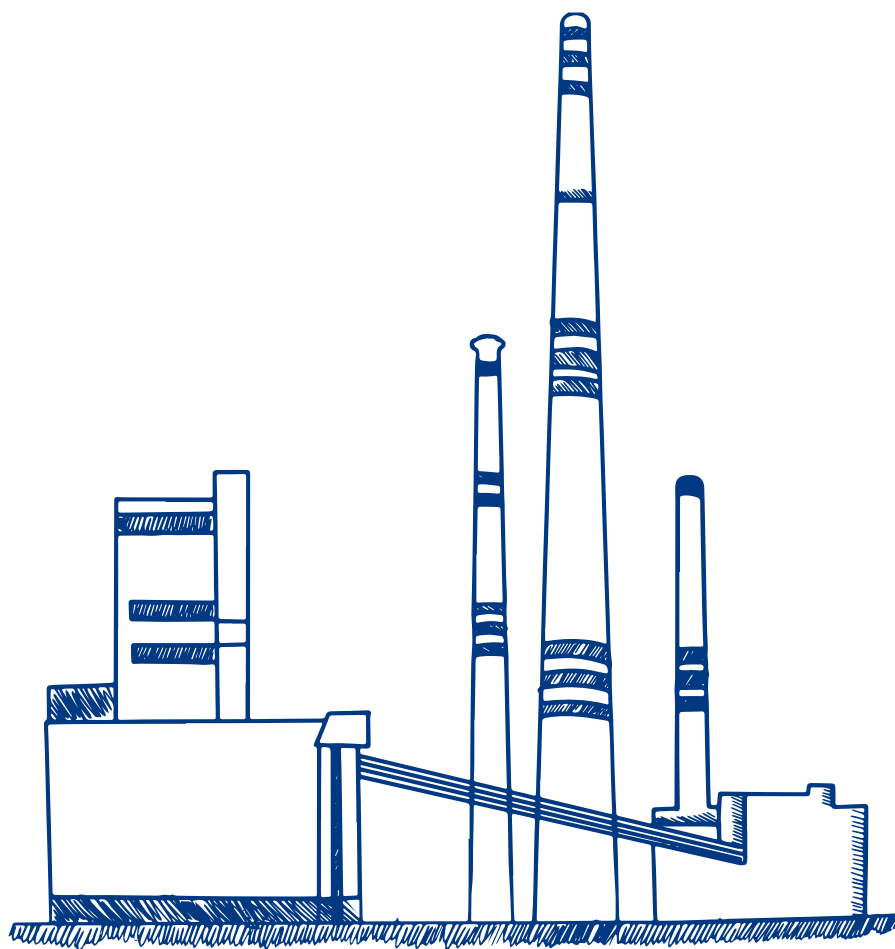


Kosovo

Annual Implementation Report

1 November 2021





Kosovo*

Summary Implementation

Summary Indicators	Transposition Assessment	Implementation Status	Descriptions
 Electricity		 71%	Implementation in the electricity sector of Kosovo* is well advanced.
 Gas*		 34%	Implementation in the gas sector of Kosovo* is still at an early stage.
 Oil		 20%	Implementation in the oil sector of Kosovo* is yet to begin.
 Renewable Energy		 59%	Implementation in the renewable energy sector of Kosovo* is moderately advanced.
 Energy Efficiency		 62%	Implementation in the energy efficiency sector of Kosovo* is well advanced.
 Environment		 58%	Implementation in the environment sector of Kosovo* is moderately advanced.
 Climate		 50%	Implementation in the climate sector of Kosovo* is moderately advanced.
 Infrastructure		 92%	Implementation in the infrastructure sector of Kosovo* is almost completed.
 Statistics		 80%	Implementation in the statistics sector of Kosovo* is well advanced.
 Cybersecurity		 43%	Implementation in the cybersecurity sector of Kosovo* is moderately advanced.

* Due to the lack of a gas market, implementation of the gas acquis is not taken into account in the overall score of Kosovo*.

Overall number of cases: **2**

Procedure
by Article **91**

ECS-8/21 - Environment

ECS-4/19 State aid



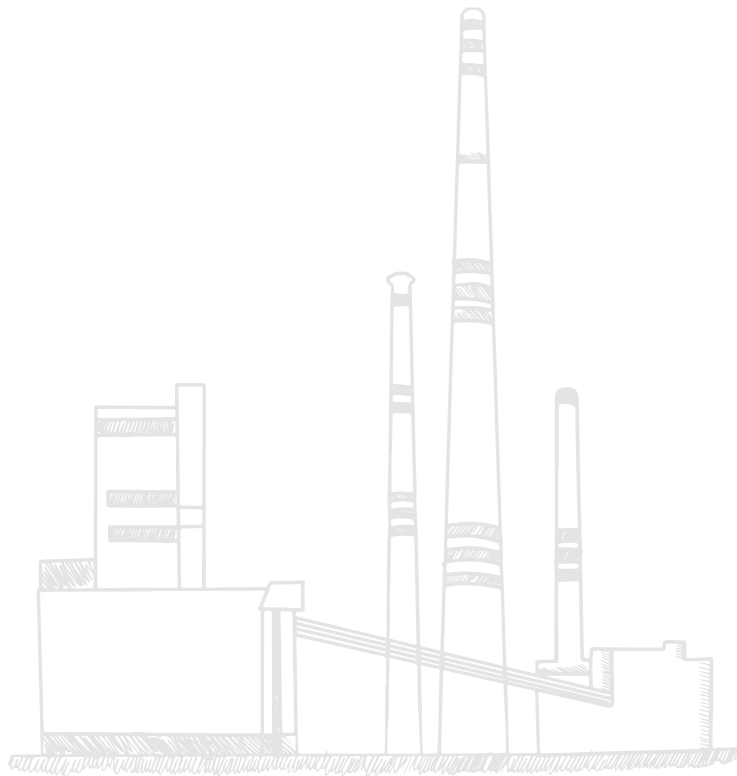
Kosovo*

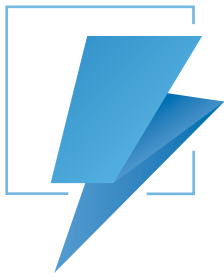
State of Energy Sector Reforms

In Kosovo*, the discussion about the future energy mix has taken centre stage after the previous plans to build a new coal power plant were shelved. Going ahead with further renewable energy deployment is a no-regret solution, as is the more efficient use of interconnection capacity by coupling the market with neighbours. Despite the transmission system operator of

Kosovo* now controlling its area and allocating forward capacities through SEE CAO, capacity on the interconnector with Serbia is still not allocated. As in other Contracting Parties, compliance with the Large Combustion Plants Directive and environmental impact assessment for hydropower are of concern.

Kosovo* depends almost exclusively on two ageing lignite plants for its electricity. The project of building a new one, the Kosovo* e Re project, was cancelled. The dispute with the transmission system operator of neighbouring Serbia came to an end by the signing of the connection agreement of the transmission system operator with ENTSO-E. Kosovo* is not connected to any natural gas system. Electricity generated from wind and solar are underrepresented in Kosovo's* energy mix. The energy intensity of the Kosovo* economy is almost four times higher than the European Union average.





Kosovo* Electricity

Electricity Implementation

Electricity Indicators	Transposition Assessment	Implementation Status	Descriptions
Unbundling			The transmission system operator and the distribution system operator are unbundled.
Access to the system			Third party access to the network is ensured. The Transparency Regulation is transposed and its implementation has started. The Connection Network Codes are implemented through the grid codes approved by the regulator.
Wholesale market			The bulk supply agreement between the state producer and supplier distorts competition. The establishment of a day-ahead market hinges on the establishment of the Albanian day-ahead market, which continues to be delayed. A competitive balancing market exists. The REMIT Regulation is transposed.
Retail market			Only customers connected at high voltage are supplied at unregulated prices. The lack of a decision-making quorum of the regulator was used as a justification to prolong the regulation of prices for medium voltage customers for another year.
Regional integration			Forward and daily cross-border capacities are allocated through SEE CAO, except with Serbia, where capacities are not offered to the market at all. Intraday capacity is allocated bilaterally. The transmission system operators of Albania and Kosovo* implemented a common dimensioning of the balancing reserve as well as a joint provision of secondary control.

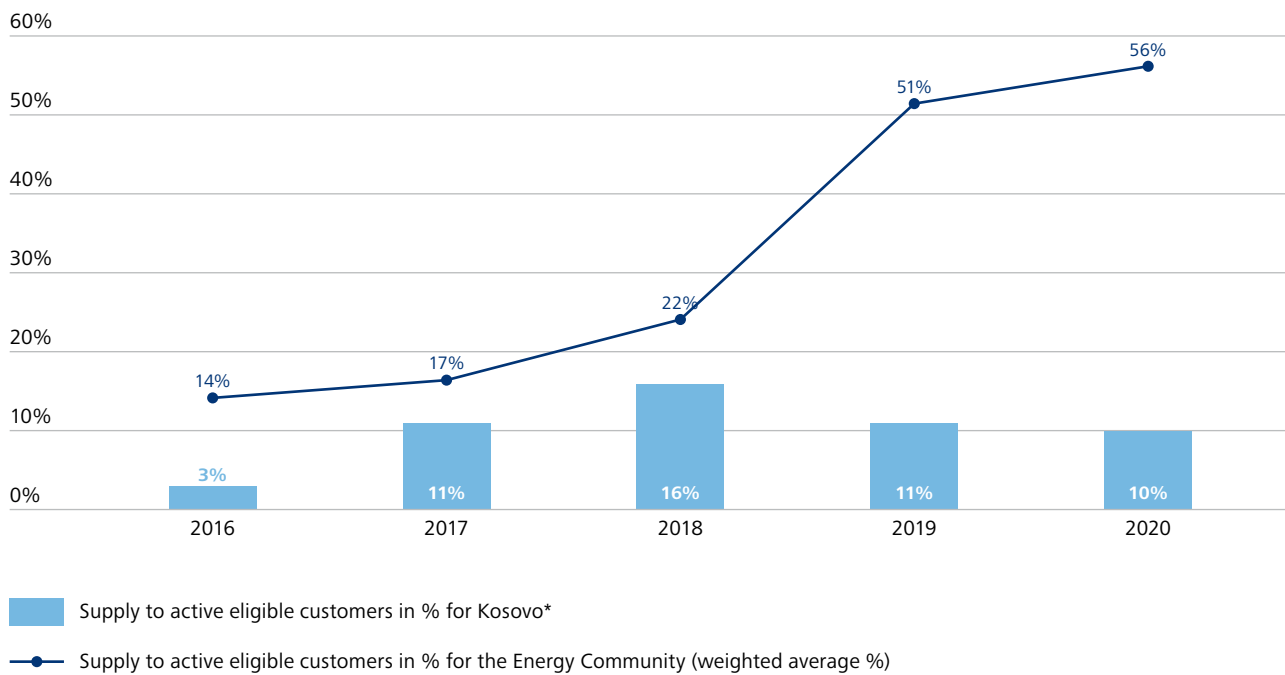
Kosovo* made progress in terms of cross-border cooperation following the entry into force of the connection agreement with ENTSO-E in October 2020. As of 2021, the transmission system operator KOSTT started to allocate cross-border capacities through SEE CAO. Intraday capacity is allocated bilaterally. Rules for the allocation of capacities on the interconnections with Serbia have not been agreed yet and no auctions have been organised. As a result, capacities are not being allocated on these interconnections, which is a concern for market participants.

Cross-border balancing cooperation with Albania was strengthened pursuant to the agreement on the establishment of the Albania - Kosovo* (AK) control block. Common dimensioning of the frequency restoration reserve (FRR) has been implemented. Furthermore, automatic FRR (aFRR) is procured and activated jointly for both transmission system operators, while manually activated FRR is procured separately.

The project on establishing a day-ahead market and its coupling with Albania is in delay. The Albanian power exchange company ALPEX, which is responsible for setting up of the day-ahead and intraday markets both in Kosovo* and Albania as well as market coupling between the two bidding zones, got stuck with procuring an electronic trading platform and services for the power exchange. According to ALPEX's plans, the day-ahead market in Kosovo* and its coupling with Albania should commence two months after the go-live of the Albanian day-ahead market. ALPEX established a branch office in Pristina in May 2021.

Competition in the wholesale market is hindered by the so-called bulk supply agreement between KEK and KESCO, through which KEK sells its output to KESCO to the extent it needs it to supply its public service portfolio. The opening of the retail market was postponed for the fourth consecutive year, this time justified by the lack of a decision-making quorum of the

Retail Market Opening



Source: Ministry of Economy, compiled by the Energy Community Secretariat

regulator's board. Medium voltage customers continue to be supplied by the universal supplier at regulated prices. On 31 March 2021, the regulator requested KESCO to continue to perform universal supply of final customers, including customers connected to the 35 kV and 10 kV.

KOSTT has started publishing some data on the ENTSO-E Transparency Platform. The Connection Network Codes are mostly implemented through the grid code from 2018 and the distribution code of 2020. The Rule transposing the REMIT Regulation of June 2020 and a registration of market participants is on-going.



Kosovo*

Gas

Gas Implementation

Gas Indicators	Transposition Assessment	Implementation Status	Descriptions
Unbundling		<div style="border: 1px solid blue; border-radius: 10px; width: 100%; height: 15px; display: flex; align-items: center; justify-content: center;">0%</div>	There is no transmission system operator in Kosovo*; the only applicable model for a future transmission system operator is the ownership unbundling model.
Access to the system		<div style="border: 1px solid blue; border-radius: 10px; width: 100%; height: 15px; display: flex; align-items: center; justify-content: center;">0%</div>	Kosovo* does not have a gas network and thus has not adopted rules providing for regulated third party access.
Wholesale market		<div style="border: 1px solid blue; border-radius: 10px; width: 100%; height: 15px; display: flex; align-items: center; justify-content: center;">0%</div>	There is no gas market in Kosovo*.
Retail market		<div style="border: 1px solid blue; border-radius: 10px; width: 100%; height: 15px; display: flex; align-items: center; justify-content: center;">0%</div>	There are no gas customers in Kosovo*.
Interconnectivity		<div style="border: 1px solid blue; border-radius: 10px; width: 100%; height: 15px; display: flex; align-items: center; justify-content: center;"><div style="background-color: blue; width: 12%;"></div>12%</div>	Kosovo* transposed security of supply rules. There are no gas interconnectors with Kosovo*.

Kosovo* has no gas market access, no infrastructure and no supplies of natural gas. Yet, a possible gas market is regulated by the 2016 Law on Natural Gas.

In a wider debate in Kosovo* on how to decarbonize the country's energy sector that is heavily reliant on lignite, access to gas

supplies via pipeline is not gaining traction with the Government as a viable option for now. The debate is still on-going. The country's regulatory framework remains rudimentary.

The opportunities to provide a supply route from North Macedonia or from Albania via pipelines exist.

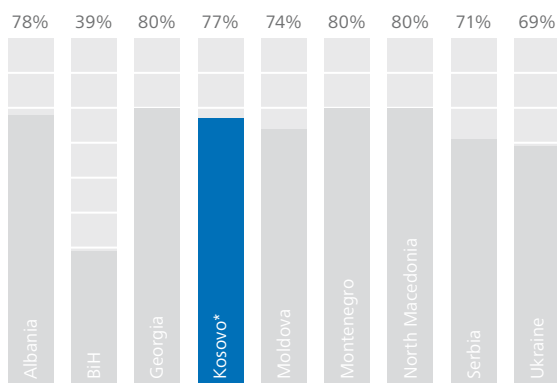


Kosovo*

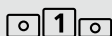
National Authorities



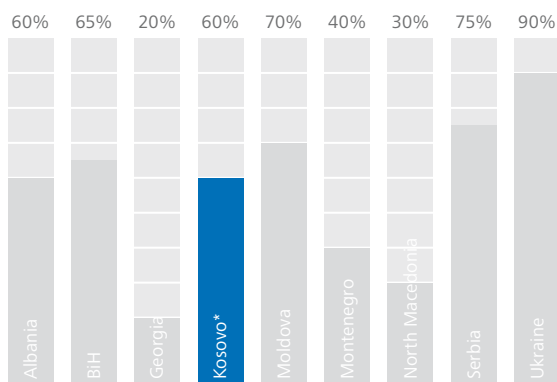
Regulatory Authority



In the reporting period, effective operation and functional independence of the Energy Regulatory Office (ERO) has been blocked by the lack of a decision-making quorum after the expiration of mandates of three Board members in December 2020. This situation was only overcome in August 2021 by the appointment of a new Chairman and two new Board members. Before loss of the decision-making quorum, the regulator proved its commitment to transpose new acquis by including the electricity Network Codes in the national regulatory rules, implementing the REMIT Regulation and adopting rules for NEMO designation. It approved the cross-border capacity allocation rules, which are applied by the transmission system operator as of December 2020. On the other hand, ERO has delayed retail market opening several times since 2018 for customers connected to 35 kV and 10 kV. The regulator has been active in promoting self-consumption of customers by issuing licenses for installation of solar panels.



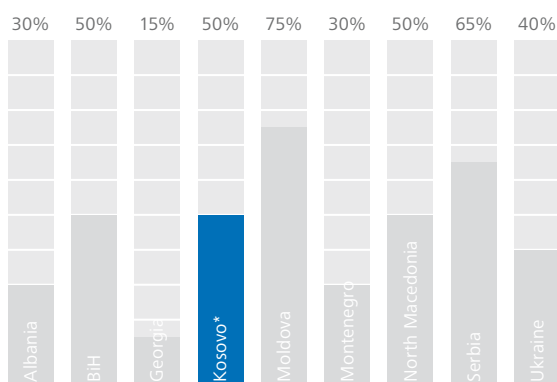
Competition Authority



In the reporting period, the Kosovo Competition Authority opened an investigation into anti-competitive agreements and abuse of dominance by KEDS and KESCO by creating barriers to entry on the market of electricity supply. The Secretariat will closely monitor the outcome of this investigation.



State Aid Authority



The authority responsible for enforcing the Law on State Aid consists of a State Aid Department (SAD), which receives, analyses and monitors notifications, and a State Aid Commission (SAC), the decision-making body. Following the integration of the SAD into the Ministry of Finance, its independence is questionable. Despite its limited human and technical resources, the SAD has started to investigate State support in the energy sectors and rendered its first negative decision finding that the feed-in-tariff granted to producers of energy from solar (20 MW) contains incompatible State aid.



Kosovo* Oil

Oil Implementation

Oil Indicators	Transposition Assessment	Implementation Status	Descriptions
Stockholding obligation			The current legislative framework imposes an obligation on the industry to keep oil stocks in the amount of 5% of the company's oil storage capacity but not for emergency oil stocks purposes. The draft Law on Compulsory Oil Stocks should be adopted as soon as possible.
Emergency procedures			Currently, no procedures are in place to release emergency oil stocks. However, the draft Law foresees that the Government shall, on a proposal of the Minister in charge for oil, adopt a Response Plan with reserves to be released in the case of a supply interruption.
Fuel specifications of petrol, diesel and gas oil for non-road mobile machinery (NRMM)			With the 2017 Administrative Instruction on the Quality of Petroleum-derived Liquid Fuels, Kosovo* has transposed the main requirements of the Fuel Quality Directive. This Instruction applies to petrol and diesel in accordance with European standards. The sulphur content of gas oil for NMRR is not specified and leaves room for misinterpretation.
Monitoring compliance and reporting including the lay down the rules on penalties			The suppliers are obliged to guarantee the quality of petroleum-derived liquid fuels placed on the market. The quality is verified via laboratory tests as set out in the annual quality monitoring programme. There are detailed penalty measures specified in the current legislation. In case the fuels do not meet the technical requirements after testing, they must be withdrawn from the market.

In Kosovo*, the main law governing the oil sector is the Oil Market Law of 2005, as amended in 2009. The Ministry of Trade and Industry (responsible for oil and petroleum products) drafted a new Law on Compulsory Oil Stockholding in March 2014. The draft Law was expected to be adopted in the fourth quarter of 2020 or first quarter of 2021. However, its approval

by the Government and subsequent adoption by the Parliament is still pending.

Kosovo* has transposed the main provisions of the Fuel Quality Directive. Sulphur content in gas oil for non-road mobile machinery (NMRR) should also be specified.



Kosovo* Renewable Energy

Renewable Energy Implementation

Renewable Energy Indicators	Transposition Assessment	Implementation Status	Descriptions
National Renewable Energy Action Plan			Kosovo* has reached 25,69% of renewable energy in 2019, surpassing its 2020 target of 25%. However, only the sectorial target for heating and cooling was overreached, while contributions of renewable energy to electricity and transport are still very low.
Quality of support schemes			The law currently prescribes a support scheme based on administratively set feed-in tariffs, however, since December 2020 the allocation of feed-in tariffs has been suspended. Renewable energy producers under the support scheme are liable for 25% of their total imbalance costs.
Grid integration			The system operator is obliged to give dispatching priority to generating installations using renewable energy sources grounded on transparent and non-discriminatory criteria.
Administrative procedures and guarantees of origin			A one-stop shop supported by an inter-institutional coordination committee made up of all authorities involved in the development of renewable investments is not yet in place, despite the regulation on its establishment being adopted by the Government already in 2018. Kosovo* has expressed interest to join the Energy Community regional initiative to establish an electronic system for guarantees of origin.
Renewable energy in transport			Provisions related to sustainability of bio-fuels are still not transposed and the legal framework remains completely non-compliant with Directive 2009/28/EC.

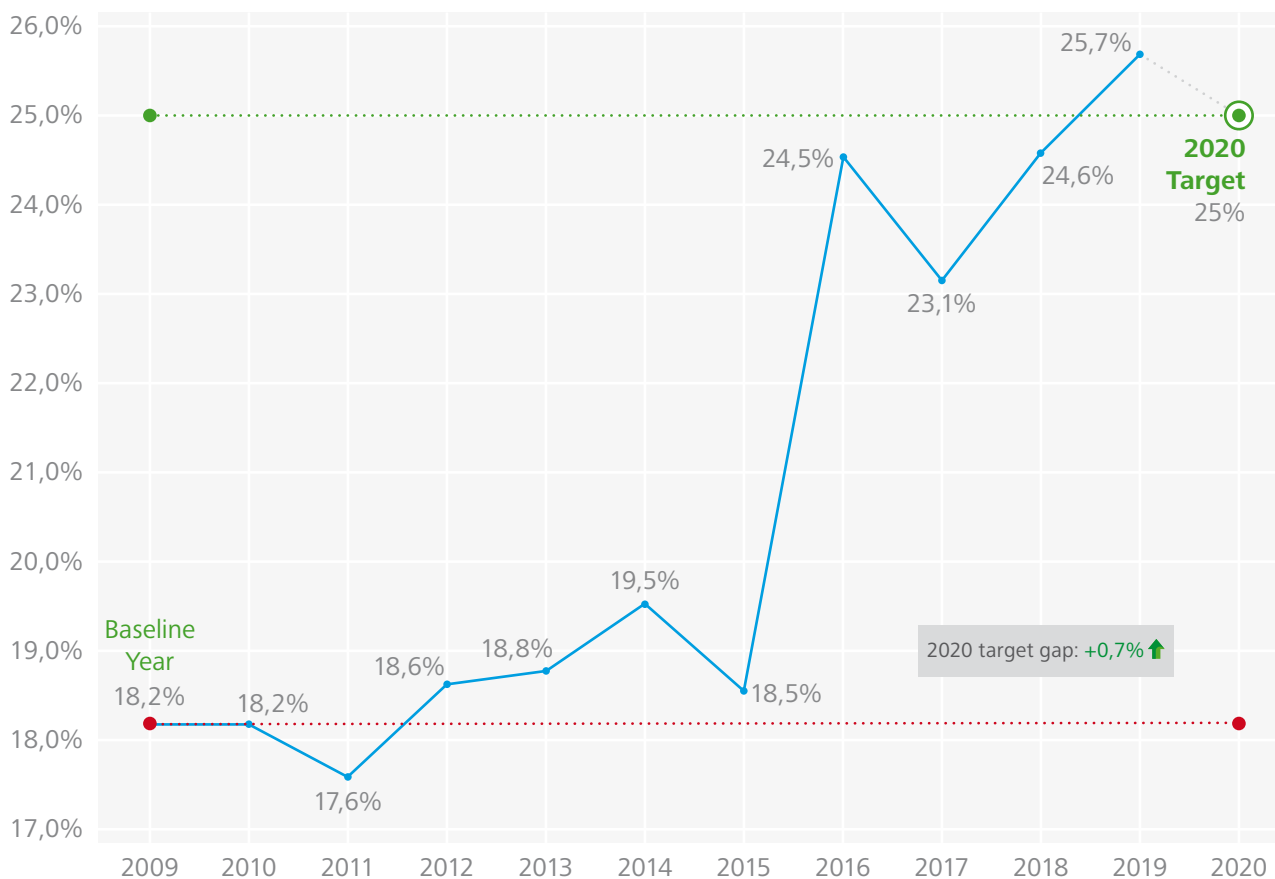
There were no improvements in the transposition and implementation of the renewables acquis during the reporting period in Kosovo*.

In November 2020, the State aid authority of Kosovo* made a decision regarding non-compliant State support to renewables. It found that an administratively set feed-in tariff for photovoltaic projects with a total installed capacity of 20 MW does not comply with the State aid acquis because it has not been notified to the competent State aid authority before it was granted and it is not in line with the Guidelines on State Aid for Environmental Protection and Energy.

In Kosovo*, any electricity customer connected to the low voltage distribution network with installed capacity not higher than 100 kW can apply to its supplier to obtain the status of a self-consumer using a net billing scheme. This seems to function well in practice with 56 self-consumers connected and many new applications in the pipeline.

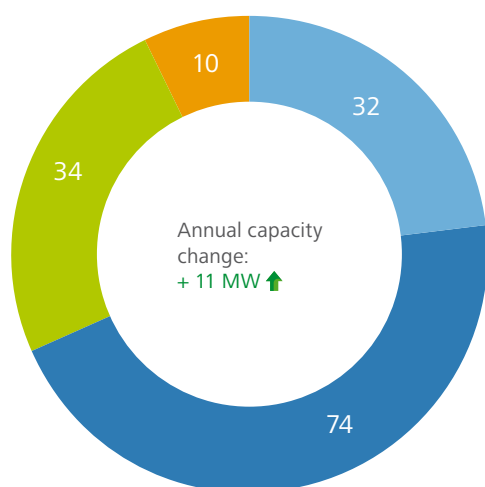
Priorities for Kosovo* should be the introduction of a market-based support scheme in line with the State Aid Guidelines and transposition of provisions related to sustainability of bio-fuels. At the same time, an electronic system for guarantees of origin should be established.

Shares of Energy from Renewable Sources



Source: EUROSTAT

Total Capacities of Renewable Energy 2020 (MW)



- Large hydropower
- Small hydropower <10 MW
- Wind
- Solar

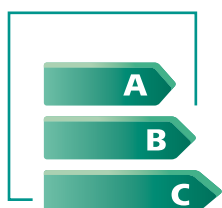
In 2020, only 11 MW of small hydropower capacities were commissioned, resulting in a total of 74 MW of small hydropower, in addition to 32 MW of large hydropower, 34 MW of wind (Kitka wind farm) and only 10 MW of solar in spite of the potential for wind and solar to be deployed cost-effectively. The testing phase of the first part of the Bajgorë wind plant SELAC I (34,47 MW) has started in September 2021 and is expected to enter into commercial operation in October, whereas SELAC II (34,47 MW) is expected to enter into commercial operation by the end of 2021. The project is divided in three phases and the total installed capacity is planned to be 105 MW.

With a 25,69% share of energy from renewable sources in gross final energy consumption in 2019, Kosovo* has reached its 25% target for 2020. However, this is mainly due to the revision of biomass consumption data. Additional measures, including the introduction of a market-based support scheme in the first place, are needed to increase the share of renewable energy in electricity and transport.

Total capacities of renewable energy (MW):

150

Source: Ministry of Economy and Environment/Energy Regulatory Office (ERO), based on ERO Report 2019 and KESCO



Kosovo*

Energy Efficiency

Energy Efficiency Implementation

Energy Efficiency Indicators	Transposition Assessment	Implementation Status	Descriptions
Energy efficiency targets and policy measures			The 2018 Law on Energy Efficiency set a final energy cap consumption target for 2020, an energy efficiency obligation with a 0,7% target and a 1% annual central government buildings renovation target. The final version of the National Energy Efficiency Action Plan (NEEAP) 2019 – 2021 was submitted to the Secretariat in December 2020. The fifth Annual Progress Report was not submitted.
Energy efficiency in buildings			Kosovo* adopted the necessary by-laws to implement the Law on the Energy Performance of Buildings. Activities to strengthen expertise and tools for certification of buildings are ongoing. A plan to boost nearly zero-energy buildings and a building renovation strategy have been drafted, but not adopted.
Energy efficiency financing			The Energy Efficiency Fund, with capitalisation of around EUR 20 million and secured financing until 2022, continued public calls for improvement of energy efficiency in municipalities. There are plans to extend financing for the residential sector in 2022. Rules on energy efficient public procurement, ESCOs and energy performance and supply contracts are in line with the acquis. The draft NEEAP includes measures for the development of an ESCO market.
Energy efficient products - labelling			Kosovo* still fails to implement the delegated regulations adopted by the Ministerial Council in October 2014 and November 2018. Only the labelling regulations adopted by the 2010 Ministerial Council have been implemented.
Efficiency in heating and cooling			Kosovo* has district heating systems in four municipalities, which predominately rely on coal (94%) and petroleum products (6%). Most heat consumption is billed without being metered. Gjakova municipality has constructed a biomass cogeneration plant to replace the existing petroleum heating plant. Kosovo* has not assessed its potential for high-efficiency cogeneration and efficient district heating and cooling, as required by the Energy Efficiency Directive.

Kosovo*'s progress during this reporting period includes intensified financing activities linked to the Energy Efficiency Fund (in public buildings and plans for extension to residential sector), finalisation of strategic documents (including the Building Renovation Strategy) and activities to implement the regulation on energy audits and energy performance certification of buildings. However, the adoption of the remaining secondary legislation required for implementation of the Energy Efficiency Law was delayed. The Secretariat was not notified on measures implemented under the energy efficiency obligation scheme.

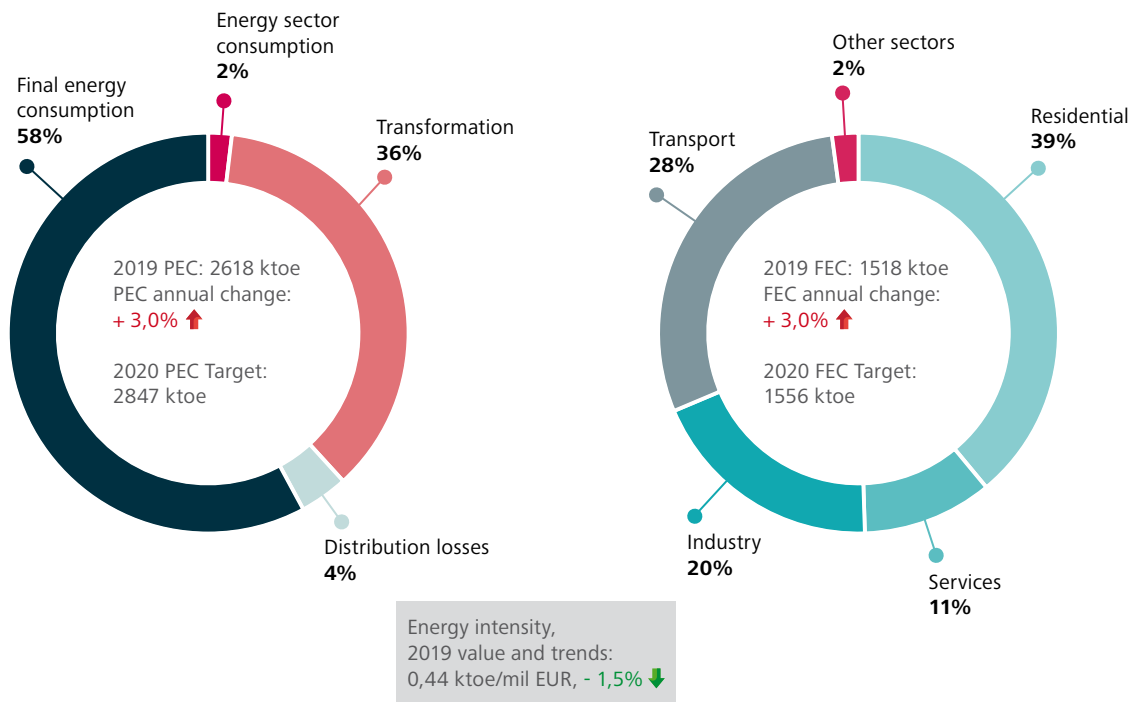
The annual report on the progress in implementation of the Energy Efficiency Directive should be finalised and sent to the Secretariat without delay. A Monitoring and Verification Platform (MVP) for energy savings should be put into operation and used by the Energy Efficiency Agency.

The transposition of the remaining labelling delegated regulations also remains a priority.

2019 Energy Efficiency Indicators and Trends

Primary Energy Consumption (PEC)

Final Energy Consumption (FEC)



Source: EUROSTAT and World Bank 2021 data and Contracting Party's Reports

Energy Efficient Products – Overview of Implementation of Labelling Regulation

FRAMEWORK REGULATION*	Household dishwashers	Fridges and freezers*	Household washing machines	Televisions	Air conditioners and fans*	Household tumble driers	Electrical lamps and luminaires	Solid fuel boilers*	Space heaters*	Water heaters & storage tanks	Domestic ovens and range hoods
	●	●	●	●	●	●	●	●	●	●	●

● Adopted and implemented ● Compliance or implementation issues detected ● No progress with adoption/implementation

* The new labelling package adopted by the Ministerial Council in November 2018 was assessed, as the transposition deadline expired in January 2020.

Source: multiple sources of data (EECG reports, NEEAPs etc.), compiled by the Energy Community Secretariat



Kosovo*

Environment

Environment Implementation

Environment Indicators	Transposition Assessment	Implementation Status	Descriptions
Environmental impact assessment (EIA) and strategic environmental assessment (SEA)			The draft Law on Environmental Impact Assessment is not yet aligned with Directive 2014/52/EU. The capacities of the authorities must be improved in order to secure the Law's proper implementation and enforcement. The Law on Strategic Environmental Assessment is not in compliance with the SEA Directive.
Sulphur in fuels			The legal framework complies with the provisions of the Directive, its systematic implementation is however questionable. The competent authorities have to ensure that quality control of the fuels falling under its scope is carried out in a compliant manner.
Large combustions plants and industrial emissions			New legislation on the limit values for emissions of air pollutants from stationary sources was adopted in the reporting period. With that, Kosovo*'s long-standing non-compliance with emissions legislation was addressed.
Nature protection			Kosovo* should further assess the potential of designating and protecting new wetlands. Up-to-date management plans (including a programme for long-term monitoring) should be prepared for each protected area. The number and administrative capacities of the management bodies as well as the environmental inspectorates must be improved to ensure effective protection.
Environmental liability		n/a	Kosovo* has not transposed the Environmental Liability Directive.

The new draft Law on Environmental Impact Assessment (EIA) falls short of compliance with Directive 2014/52/EU, in particular with Article 5 and Annex IV concerning the content of the EIA report, Article 8(a) concerning the reasoned conclusions and the decision to grant the development consent for the project and Article 9(a) concerning conflicts of interest. The preparation of secondary legislation has not started yet. The provisions for transboundary EIA must be further aligned with Article 7 of the EIA Directive. To secure proper implementation and enforcement, the new draft legislation should be supplemented with a capacity building for public authorities, including at local level. In the reporting period, Kosovo* conducted an EIA procedure for one HPP project, HPP Dukagjini 3 in Deçan. Kosovo* failed to submit the requested information concerning the HPP cascade Decani within the framework of ongoing investigations by the Secretariat.

The current Law on Strategic Environmental Assessment (SEA) should be amended to ensure that SEAs are carried out in parallel with the preparation of the plan or programme, before its submission to the legislative procedure, as stipulated in Article 4 of the SEA Directive. The Government should ensure that the strategic environmental assessment for the NECP is conducted as early as possible, and early and effective opportunities for the public to participate are provided.

Existing legislation in Kosovo* on the sulphur content of liquid fuels, including the administrative instruction on the technical requirements for import, storage, wholesale and retail sale of petroleum fuels, is in line with the provisions of the Directive.

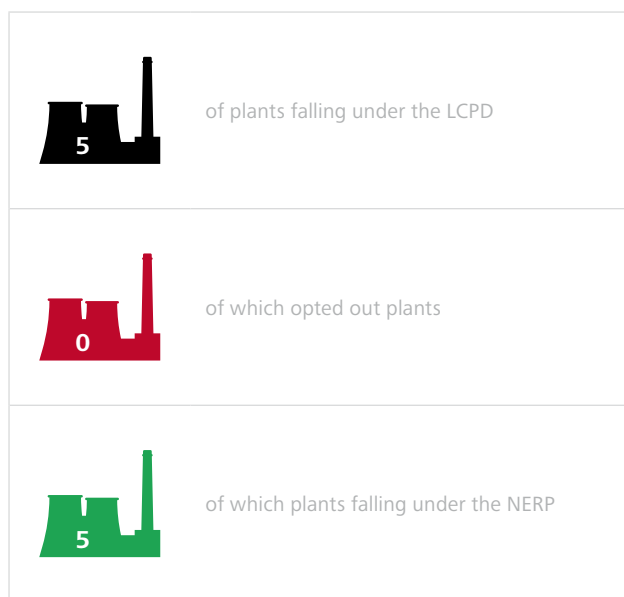
In July 2021, Kosovo* adopted legislation compliant with the provisions of the Large Combustion Plants and Industrial Emis-

sions Directives. With that, Kosovo* addressed the breach stipulated in a Decision of the Ministerial Council. Kosovo* complied with its emissions reporting obligations for the reporting year 2020 in March. Since the NERP ceilings for all three pollutants (sulphur dioxide, nitrogen oxides and dust) are not compliant, and the absolute amount of emissions has even increased compared to 2019 levels, the Secretariat opened dispute settlement procedures in March 2021.

In the reporting period, Administrative Instruction No. 12/2020 on the Proclamation of Wild Species Protected and Strictly Protected was adopted. However, there were no new designations

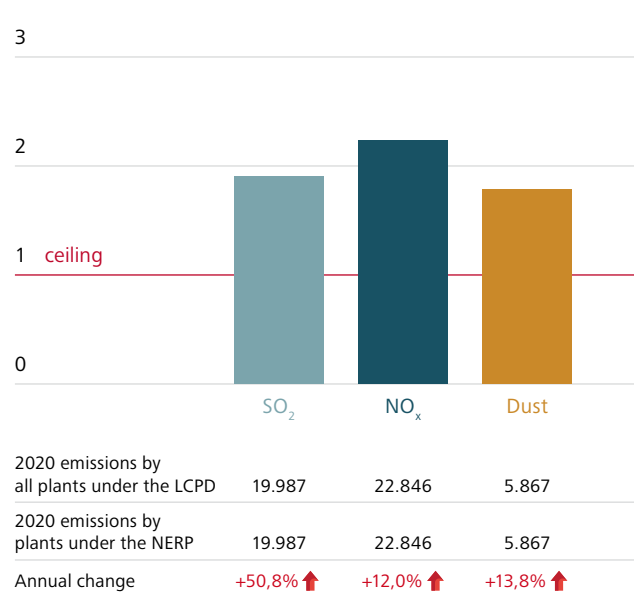
of protected areas. A full inventory of potential wetlands has not been prepared yet. The management plan for the National Park Sharii (Shar) Mountain should be updated and include a long-term monitoring programme. Furthermore, the Sharii (Shar) mountain management authorities in Kosovo* and North Macedonia should cooperate and coordinate joint activities for the proper protection of the cross-border national park. An up-to-date management plan for the Special Area for Birds "Henc" is still lacking. The management bodies of the protected areas are seriously understaffed; in particular, they lack experienced biologists. Furthermore, only one inspector is assigned to deal with biodiversity cases/reports for all protected areas.

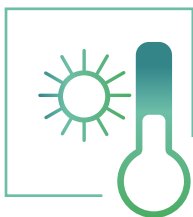
Installations under the Large Combustion Plants Directive



Source: compiled by the Energy Community Secretariat

2020 emissions versus NERP ceilings





Kosovo* Climate

Climate Indicators	Transposition Assessment	Implementation Status	Descriptions
National greenhouse gas emissions monitoring and reporting systems			Legislation defining national systems for policies, measures and projections is missing. Until this is the case, Kosovo* will not be in compliance with Regulation (EU) 525/2013. Compilation of the GHG inventory is progressing. A law on climate change is envisaged to be adopted by end 2022.
National Energy and Climate Plans (NECPs)			Kosovo's* draft NECP has been discussed within the working groups and the Government. There is no deadline for submitting the draft NECP to the Secretariat.

Kosovo* is not a signatory party of the United Nations Framework Convention on Climate Change (UNFCCC). There is currently no legal basis for drafting Nationally Determined Contributions. No targets are set for 2030 and no regular reporting is undertaken. However, Kosovo* compiled the Greenhouse Gas Inventory for the years 2008 – 2019. The reports are published on the Kosovo Environmental Protection Agency (KEPA) website. KEPA is the institution responsible for collecting data and reporting them to the European Environment Agency.

Efforts have been made to align Kosovo*'s legislation and policy framework to the EU climate acquis. The 2019 – 2028 National Strategy and Action Plan on Climate Change has been approved by the Government and a climate change concept paper was approved in December 2020. An Administrative Instruction for Monitoring Greenhouse Gas Emissions of 2016 defines the governance, inter-institutional arrangements and deadlines for providing data on GHG emissions.

Kosovo* is not compliant with Regulation (EU) 525/2013. Although it has some climate legislation in place and compilation of the GHG inventory is progressing, legislation defining national systems for policies, measures and projections is missing. Missing provisions of Regulation (EU) 525/2013 are planned to be included in a future Law on Climate Change, to be drafted by 2021 and adopted by 2022.

In the absence of a law on climate change, there is still no legal basis for an NECP. The current, almost complete, working draft has been discussed within the NECP working groups involving representatives of government institutions, regulators and operators as well as representatives of civil society, universities and businesses. The Government initiated discussions on the policy scenarios in summer 2021. No initial drafts have been shared with the Secretariat. There is no date for when the final draft will be submitted to the Secretariat.



Kosovo* Infrastructure

Infrastructure Implementation

Infrastructure Indicators	Transposition Assessment	Implementation Status	Descriptions
National competent authority			The national competent authority was established by a decision of the Minister of Economic Development in 2017. The authority has recently submitted the first progress report on the current PECE projects to the Secretariat. The report should be submitted annually within the timeframe defined by the Regulation (end of March).
Manual of procedures			The Ministry of Economic Development published the manual of procedures, as defined by Regulation (EU) 347/2013.
National regulatory authority involvement			Kosovo*'s regulatory authority published the methodology and criteria required by the Regulation on 10 May 2017.

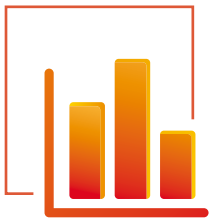
Kosovo* is one of the few Contracting Parties that have transposed Regulation (EU) 347/2013. The Minister of Economic Development adopted the Administrative Instruction on the Promotion of Joint Regional Investments in the Energy Sector in February 2017. The national competent authority was also designated.

The authority has started to report to the Secretariat on the PECE projects development. This is particularly important since Kosovo* participates in two actual PECE projects (ALKOGAP and North Macedonia – Albania interconnector).




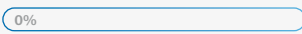


PECE/PMI projects (December 2020): **2**

Gas: **2**

PECE: **2**



Statistics Implementation

Statistics Indicators	Transposition Assessment	Implementation Status	Descriptions
Annual statistics			The annual questionnaires for 2019 were transmitted to EUROSTAT in accordance with the acquis, including the breakdown of energy consumption in households.
Monthly statistics			There is no monthly data yet.
Price statistics			Price statistics on electricity for 2019 were compiled and transmitted in accordance with the acquis.

The main non-compliance issue with respect to the statistics acquis in Kosovo* is linked to the lack of monthly statistics as well as a legal basis for their compilation. A first step towards compliance was made by the commitment of the Kosovo Agency for Statistics (KAS) to begin monthly electricity, coal and oil reporting from 2022. This is yet to be translated into officially adopted documents (plan, programme and methodology).

The KAS is established within the Ministry of Finance and Transfers' office with the task to coordinate the statistical system of Kosovo*. Whereas KAS is responsible for energy statistics, it is not obliged to collect and publish any monthly data yet.

Since 2015, the annual questionnaires have been submitted to and published by EUROSTAT and the International Energy Agency. The breakdown of energy consumption of households is compiled by KAS and transmitted to EUROSTAT. Preliminary questionnaires with 2019 data and the SHARES questionnaire were prepared and transmitted on time. The quality report was also prepared and submitted to EUROSTAT.

No monthly data are compiled or disseminated yet. KAS planned to begin implementation of the acquis related to monthly statistics in 2020 through a pilot project supported by the EU's Instrument for Pre-Accession Assistance, but this was put on hold due to the Covid-19 pandemic. The statistical survey plan for 2022 is expected to include activities to implement obligations from Annex C and Annex D of Regulation (EC) 1099/2008.

Electricity prices per consumption band broken down by taxation level are submitted to and subsequently published by EUROSTAT. Price components for industrial end-users are reported in accordance with the acquis. The established compilation procedure enables regular price data reporting in compliance with the acquis.

Monthly data collection, as the only serious non-compliance issue, has to be tackled without delay. Priority has to be given to monthly data collection for oil in order to meet obligations under the oil stocks acquis.



Kosovo*

Cybersecurity

Cybersecurity Implementation

Cybersecurity indicators	Transposition Assessment	Implementation Status	Descriptions
Institutions and legislation			The Cybersecurity Strategy needs follow-up, including policies for the energy sector. Transposition of the NIS Directive should be completed. The protection of critical infrastructure lacks energy-specific criteria. KOS-CERT implicitly covers the energy sector.
Requirements for operators and energy regulatory authority			The general aspects of risk assessment, data security management and threat reporting obligations are in place. Energy-specific cybersecurity competences still need to be introduced.

The National Cybersecurity Strategy of Kosovo* 2016 - 2019 roughly outlines the responsible parties and objectives in cybersecurity management, threat assessment, protection of critical information infrastructure, building institutional capacity for incident response. The Concept Paper on Network and Information Systems Security Measures, adopted by the Government in 2019, defines the responsibilities of different administrative bodies and promotes cross-sectoral cooperation.

The Law on Critical Infrastructure of 2018 transposes Directive 2008/114/EC in detail and provides broad criteria for identification and designation. It appoints the Ministry of Interior as the main focal point and coordinator in critical infrastructure protection. The energy sector is recognized as relevant, with infrastructures used for production, transmission, distribution and storage of electricity, oil and gas identified as critical. There are no provisions for designation of individual companies and their information and communication systems.

The Energy Strategy 2017 - 2026 does not provide specific criteria for identification of critical infrastructures, risk assessment or security measures for information and communication systems in the energy sector. Cybersecurity-related policies are

foreseen in the new Energy Strategy currently in drafting stage. The Ministry of Economy has taken steps to transpose Directive (EU) 2016/1148 (NIS Directive) in the draft Law on Network and Information System addressing public utilities governed by the Ministry.

The Regulatory Authority for Electronic and Postal Communications (ARKEP) hosts the national KOS-CERT, acting as the main computer emergency response unit, providing support, notification and exchange of information related to cyber events, also covering the energy sector.

The Law on Critical Infrastructure provides an indicative framework for risk assessment based on range and severity of impact, without addressing specific threats in energy. Obligations for identification of critical assets and development of security plans are included, along with requirements for establishment of incident prevention plans and risk mitigation systems and reporting of security concerns. Cybersecurity in the energy sector requires a specific risk management framework.

The Energy Regulatory Office ERO is not empowered for any specific cybersecurity activities.