

LAW ON THE USE OF RENEWABLE ENERGY SOURCES

I INTRODUCTORY PROVISIONS

Subject Matter of Regulation

Article 1

The present Law shall regulate the use of energy from renewable sources, the method for determining the share of renewable energy sources of the Republic of Serbia in the gross final energy consumption, integration of energy from renewable sources to the market, the incentive system for producing electricity from renewable sources, guarantees of origin for electricity, the production of electricity from renewable sources for own consumption, the use of renewable energy sources in the field of thermal energy and in the field of transport, special procedures related to the construction and connection of energy facilities that use renewable energy sources, the bases of cooperation mechanisms with other states in the field of renewable energy sources, monitoring the implementation of this Law, and other matters of relevance for renewable energy sources.

The law pertaining to energy shall apply to all energy matters relating to renewable energy sources which are not regulated by this Law.

Public Interest

Article 2

The use of energy from renewable sources is in the public interest of the Republic of Serbia and of particular significance for the Republic of Serbia.

Aiming to achieve the public interest as per paragraph 1 of this Article, the Republic of Serbia, the Autonomous Province and local self-government units shall adopt strategic and other documents, programmes and plans for achieving the objectives set out by this Law and provide funds in their budgets for complying with the obligations set out by this Law and strategic documents.

Objectives of the Regulation

Article 3

The regulation of the use of energy from renewable sources covers measures and activities undertaken to achieve long-term goals, namely:

- 1) Decrease in the use of fossil fuels and increase in the use of renewable energy sources with the aim of environmental protection,
- 2) Long-term decrease in the dependence on fuel imports,
- 3) Creation of jobs and development of entrepreneurship in the field of renewable energy sources,
- 4) Incentives for research, innovation and competitiveness in the field of using renewable energy sources,
- 5) Digitalisation, simplicity, cost-effectiveness and efficiency of procedures in the field of renewable energy sources,

6) Integration of electricity from renewable sources on the electrical energy market, including the exposure of electrical energy producers to changes in the market price of electrical energy with the aim of maximising their market revenues,

7) Ensuring the stability of the electrical energy market while taking into consideration the costs of integrating renewable energy sources into the system and network stability,

8) Regional development of the use of renewable energy sources,

9) Stability of the system of incentives and use of operational state aid in the form of market premiums, except for small plants and demonstration projects,

10) Awarding incentives through auctions in a public, transparent, competitive and cost-effective manner, without discrimination, ensuring a high degree of project implementation, except in the case of small plants and demonstration projects where incentives need not be awarded through auctions,

11) Sustainable and independent development through maximised utilisation of national scientific-research, technological-developmental and human capacities in the process of planning the increase of the use of renewable energy sources.

Definition of Terms

Article 4

The terms used in this Law shall have the following meaning:

1) **auction** is a procedure in which participants compete in a competitive manner to fill the quota and acquire the right to incentive measures by offering the lowest feed-in tariffs, i.e. market premiums,

2) **biofuels** are liquid or gaseous fuels for transport, produced from biomass,

3) **biogas** is a gaseous fuel from biomass,

4) **biomass** is a biodegradable part of products, waste and residue of biological origin from agriculture (including plant and animal matter), forestry and related industries, as well as a biodegradable part of industrial and municipal waste, in accordance with the regulations governing waste management

5) **biomethane** is a gaseous fuel used in transport, derived by processing and/or purification of biogas,

6) **bioliquid** is a liquid fuel made from biomass and used for energy purposes other than transport, including electrical and heating energy production,

7) **gross final energy consumption** is the total final energy consumed for energy purposes in industry, transport, households, public and commercial activities, agriculture, forestry and fishing industry, including the own consumption of electricity and thermal energy in the field of electricity and thermal energy generation, and losses in the transmission and distribution of electricity and thermal energy,

8) **force majeure** is an unpredictable and unavoidable event such as: state of emergency, pandemic, natural disaster or another unforeseen event or circumstance which endangers human and/or environmental safety and health,

9) **guarantee of origin** is an electronic document with the sole function of proving to the end customer that a certain quantity of electricity has been produced from renewable energy sources,

10) **biomass fuels** are gaseous or solid fuels produced from biomass,

11) **recycled carbon fuels** are liquid and gaseous fuels generated from liquid or solid waste of non-renewable origin, which is not suitable for recycling of materials, or from gas originating from the process of the treatment of waste and/or waste gas of non-renewable origin, which originated as unavoidable and unintentional consequences of the production process in industrial plants, in accordance with the regulations governing waste management

12) **demonstration project** is a non-commercial project from renewable energy sources demonstrating a given technology as the first of its kind, and presenting a significant innovation that largely exceeds the highest level of existing technologies for the use of renewable sources and holds the status of an innovation project as per the law regulating innovation activities,

13) **part of the capacity of the power plant** is a part of the approved power of the plant,

14) **allowed percentage of balance deviation** is a maximum percentage of deviation between the actually produced quantity of electricity and the planned quantity of electricity, which a power producer from renewable energy sources may cause without having to reimburse costs of balance deviation,

15) **household** is a community of persons who cohabit, eat and spend income together, or a single person who lives on their own, eats and spends income on their own,

16) **power plant under construction** is a power plant with an issued certificate on the registration of the completion of the construction of foundations issued by the competent body or a power plant for which funds were secured to complete the construction of the power plant,

17) **joint project** is a type of cooperation mechanism between countries which may be concluded between two or more countries for the purpose of producing electricity of thermal energy, and which may include private producers,

18) **joint support scheme** is a type of cooperation mechanism which two or more countries may conclude for the purpose of enabling their mutual participation in their national incentive systems,

19) **liquid organised intra-day market** is an organized intra-day electricity market where market participants, particularly power producers from renewable sources, have the option to buy or sell the required amounts of electricity at competitive prices to efficiently regulate balance deviations,

20) **renewable hydrogen** is hydrogen used for energy purposes, produced through the process of electrolysis using electricity produced from renewable energy sources,

21) **power plant capacity** is the approved power of the plant, as determined by the competent system operator,

22) **quotas** represent the total approved power of plants in MW or electricity in MWh for which the market premiums, and/or feed-in tariffs can be obtained,

23) **prosumer** is an end-buyer who has connected their own facility for generating electricity from renewable energy sources to the internal installations, where the generated electricity is used for own consumption, and the surplus generated electricity is delivered to the transmission system, distribution system or closed distribution system,

24) **small plant** is a power plant with the approved power under 500 kW, and/or a wind-based power plant with the approved power under 3 MW,

- 25) **advanced biofuels** are biofuels produced from special raw materials prescribed by the by-law referred to in Article 78 of this Law,
- 26) **net electricity** is the difference between the total received and total delivered electricity of the prosumer into the transmission, distribution or closed distribution system over a month, defined in kWh on the basis of reading electricity meters which meet the prescribed metrological requirements,
- 27) **net measurement** is a method of calculating electricity, where the net quantity of electricity over the upcoming month is reduced by the surplus delivered quantity of electricity over the current month,
- 28) **net calculation** is a method of calculating net electricity, where the value of surplus transmitted electricity over a month is calculated and collected on the basis of an agreement between the prosumer and the supplier,
- 29) **renewable energy sources** are non-fossil sources of energy such as: watercourses, biomass, wind, sun, renewable hydrogen, biogas, landfill gas, gas from sewage water treatment plants, geothermal energy sources, and other renewable energy sources,
- 30) **renewable liquid and gaseous fuels of non-biological origin** are liquid or gaseous fuels from renewable energy sources used in transport, but under the condition that they have not been obtained from biomass and are not biofuels,
- 31) **authorised contractual party** is a legal person that concludes a market premium agreement with market premium beneficiaries, where this person is only paying the market premium, but not the price of electricity purchase from market premium beneficiaries,
- 32) **residue from agriculture, fishery, forestry and aquaculture** is residue directly produced under activities of agriculture, aquaculture, fishery and forestry and does not include residue from related industries and residue of processing,
- 33) **residue from processing** is matter that is not a final product and does not represent the primary goal of the production process, created in a procedure not purposefully changed with the aim of their production,
- 34) **waste** is any matter or object the holder discards, intends to discard, or is necessary to discard, where matter or objects intentionally changed or contaminated to be covered by this definition are not considered waste,
- 35) **waste heat** is thermal energy which necessarily originates as a by-product in industrial plants, power producing plants, service sector, and which would, without an access to the remote heating and cooling system, remain unused and dispersed into air or water,
- 36) **privileged power producer from renewable energy sources** (hereinafter: privileged producer) is a legal person or entrepreneur producing electricity from renewable sources and achieving the right to a feed-in tariff or market premium in accordance with this Law,
- 37) **incentive measures** are instruments or mechanisms of support for the production of energy from renewable energy sources,
- 38) **agricultural biomass** is biomass produced in agriculture,
- 39) **temporary privileged power producer from renewable energy sources** (hereinafter: temporary privileged producer) is a legal person or entrepreneur gaining the right to a market premium, i.e. the right to a feed in tariff through an auction procedure, and holds other rights and obligations envisaged by this Law,

40) ***producer from renewable energy sources*** is a legal person or entrepreneur producing electricity from renewable sources and holding the right to guarantees of origin,

41) ***reference market price*** is a price of electricity on the day-ahead organised electricity market in Serbia,

42) ***incentive system*** is a set of incentive measures related to a given technology for producing energy from renewable sources, used for purpose of achieving national goals regarding the use of renewable energy sources,

43) ***storage of electricity*** is the storing of produced electricity in the storage until the moment when it will be used,

44) ***fuel suppliers*** are energy subjects placing on the market oil derivatives from their own production and import,

45) ***statistical transfer*** is a type of cooperation mechanism between countries which statistically transfers, from one country to another, a quantity of energy from renewable sources which has been agreed between two or more countries,

46) ***thermal energy*** is the internal (thermal) energy of hot water, warm water or steam, or a coolant fluid, used to heat or cool spaces, heat consumable hot water, or for technological process purposes,

47) ***system integration costs*** are the costs of integrating production from renewable energy sources and other distributed electricity production into the transmission system, electricity distribution and closed distribution system,

48) ***power purchase agreement for electricity generated from renewable energy sources*** is an agreement on the basis of which a natural or legal person directly buys electricity from renewable sources from power producers from renewable sources,

49) ***forest biomass*** is biomass produced in forestry.

Other terms used in this Law and not defined in paragraph 1 of this Article shall have the meaning defined by the law regulating energy.

All terms used in this Law used in the masculine gender shall include the feminine gender and vice versa.

Type of Power Plants Which Use Renewable Energy Sources

Article 5

The following power plants are considered power plants which use renewable energy sources:

- 1) Hydro power plant,
- 2) Biomass power plant,
- 3) Biogas power plant,
- 4) Wind power plant,
- 5) Solar power plant,
- 6) Geothermal power plant,
- 7) Biodegradable waste power plant,
- 8) Landfill gas power plant,
- 9) Power plant using gas from urban waste water treatment plants, and
- 10) Power plant using other renewable energy sources.

Reversible hydro power plants are not considered power plants which use renewable energy sources.

Construction of hydro power plants in protected areas shall be prohibited.

Notwithstanding paragraph 3 of this Article, the Government may, at the proposal of the Ministry, based on a previously obtained opinion of the ministry responsible for environmental protection, allow works and activities or projects for the construction of a hydropower plant in a protected area, in case these projects are of public and general interest, that is, on projects of special or national importance for the Republic of Serbia.

It shall be considered that the conditions referred to in paragraph 4 of this Article are met particularly in the case when the construction of a hydropower plant contributes to the safety of the electricity system, that is, it provides for new production capacities for the production of electricity from renewable sources that are necessary to achieve the planned growth rate of electricity production from renewable energy sources, then to achieve national targets defined by the Integrated National Energy and Climate Plans, or when new production capacities for electricity production from renewable energy sources are needed to achieve the targets of energy transition or fulfil international obligations.

Share of Energy from Renewable Sources of the Republic of Serbia in the Gross Final Consumption of Energy and Transport

Article 6

The share of energy from renewable energy sources in the gross final consumption of energy and final energy consumption in transport, as well as the share of renewable energy sources in the electricity sector and thermal energy sector, shall be determined in the Integrated National Energy and Climate Plan in accordance with the law governing energy.

Calculation of the Share of Renewable Energy Sources and Reporting

Article 7

The monitoring and reporting on achieving the share of energy from renewable energy sources in the gross final consumption of energy and transport shall apply special rules for the calculation of the share from renewable energy sources.

The Ministry shall prescribe the act from paragraph 1 of this Article containing the following rules:

- 1) on the method of calculating the share of energy from renewable sources in the gross final energy consumption,
- 2) on the calculation of gross final electrical energy consumption from renewable sources,
- 3) on the calculation of gross final energy consumption from renewable sources in the heating and cooling sector,
- 4) on the calculation of final energy consumption from renewable sources in transport,
- 5) on the method for calculating electricity produced from hydro power plants and wind power plants,
- 6) on the energy content of fuel in transport,
- 7) on the method of calculating the impact of biofuels, bioliquids and their comparable fossil fuels on greenhouse gas emissions,
- 8) on the method of calculating energy from heat pumps.

Monitoring the achievement of the share of energy from renewable sources in the gross final consumption of energy and transport, and the method of reporting as per paragraph 1 of this Article regarding the form, content, and deadlines shall be achieved in accordance with the law regulating energy.

Stability of Incentive Measures in the Field of Renewable Energy Sources

Article 8

Energy entities use incentive measures in accordance with regulations which were applicable at the time when they acquired the right to incentive measures.

Conditions under which energy entities acquired their rights to incentive measures may not be subsequently changed in a manner which would reduce or limits their acquired rights and endanger the economic benefits of their plants which are the subject of incentives.

As an exception from paragraph 2 of this Article, incentive measures may be changed in accordance with objective criteria, providing that such criteria are defined in incentive systems which were applicable at the time when the right to incentive measures were acquired.

II SYSTEMS OF INCENTIVES FOR PRODUCING ELECTRICITY FROM RENEWABLE SOURCES

Types of Incentive Systems

Article 9

Incentives for the production of electricity from renewable sources shall be implemented in a certain incentive period through the system of market premiums and the system of feed-in tariffs and related to the price of electricity, taking over balancing responsibility, the right to priority access to the system and other incentives prescribed by law.

As an exemption from paragraph 1 of this Article, power producers from renewable energy sources which are outside of the incentive systems are entitled to assume balancing responsibility and to have a priority access to the system, in accordance with this Law.

Privileged producers are entitled to only one incentive system for the same power plant.

Undertaking Balancing Responsibility

Article 10

A guaranteed supplier assumes balance responsibility for producers from renewable energy sources who are in the market premium system or are outside the incentive system, until the establishment of a liquid organised intraday electricity market.

The power producer from renewable sources referred to in Paragraph 1 hereof has the right to transfer the balance responsibility to another balance responsible party in accordance with the law governing the field of energy and the market rules.

The guaranteed supplier assumes balance responsibility and bears the balancing costs for power producers from renewable sources that are in the feed-in tariff system, until the end of the incentive period.

In case the actualised production of power producers from renewable sources referred to in Paragraph 1 hereof deviates more than the allowed percentage of balancing deviation in the billing period, producers shall bear balancing costs by paying a fixed compensation for each kWh of their actualised production deviating from the plan they report to the guaranteed supplier.

The guaranteed supplier and power producer from renewable sources referred to in Paragraph 1 hereof Article shall conclude an agreement on assuming balance responsibility in

accordance with the law governing the field of energy, the present law and the by-law referred to in Paragraph 11 hereof.

The Energy Agency of the Republic of Serbia (hereinafter: the Agency) is obliged to monitor the development of the organised intraday electric power market and to publish a report on whether a liquid organised intraday market has been established by the end of February of the current year.

The Agency determines the liquidity of the organised intraday market based on the fulfilment of criteria related to:

- 1) relative ratio of the organised intraday market trading volume and the total electricity consumption in the Republic of Serbia,
- 2) the organised intraday market trading volume,
- 3) the margin between the highest price that buyers have been willing to pay and the lowest price that sellers have been willing to accept in a certain period of organised intraday market trading,
- 4) concentration of organised intraday market,
- 5) and other criteria determined by by-laws adopted on the basis of paragraph 11 hereof.

If the Agency determines that the criteria referred to in paragraph 7 hereof are met, the Agency shall assess the sustainability of the conditions that led to the fulfilment of the criteria:

- 1) by assessing the development of liquidity of the organised intraday market during the corresponding prior period,
- 2) by determining whether the liquidity level was stable or it was increasing during the corresponding prior period and
- 3) by assessing whether the liquidity of the organised intraday market is sufficiently resilient to changes or unusual market circumstances that may significantly affect liquidity, by analysing whether comparable changes or similar market circumstances affected the liquidity of the organised intraday market during the corresponding prior period or in another appropriate manner specified by by-laws adopted on the basis of this law.

An organised electric power market operator is obliged to furnish the Agency with the data necessary for the preparation of the report referred to in paragraph 6 hereof.

After the Agency publishes the report referred to in paragraph 6 hereof that a liquid organised intraday electricity market has been established, the power producers from renewable sources are obliged to regulate their balance responsibility in accordance with the law governing energy and electricity market rules within five months from the day of the organised intraday market establishment in the Republic of Serbia.

The Government shall specify the allowed percentage of balance deviation, the manner of determining and paying the fixed compensation to the balance responsible party for the balance deviation outside the allowed percentage of balance deviation, the model contract on assuming balance responsibility, rights and obligations of power producers from renewable sources and the balance responsible party, as well as the criteria for determining intraday market liquidity.

Right to Priority Access to the Transmission, and/or Distribution System or Closed Distribution System

Article 11

A transmission, distribution or closed distribution system operator shall receive, as a priority, electricity from renewable sources, regardless of whether it is a part of the incentive

system or not, except in case when the safety of the operation of the transmission or distribution system is endangered.

If the operator of the transmission, and/or distribution system or closed distribution system, due to the security of operation of the transmission, and/or distribution system or closed distribution system being in danger, limits to a significant degree access to the system for producers from renewable sources, they shall notify the Agency on the undertaken measures, and on measures that need to be undertaken to prevent potential future limits.

Power Plants Which are the Subject of Incentives

Article 12

Incentive measures may be acquired for the following power plants using renewable energy sources:

- 1) hydro power plant with installed power of 30 MW,
- 2) hydro power plant in an existing infrastructure with installed power up to 30 MW,
- 3) biomass power plant,
- 4) biogas power plant,
- 5) wind power plant,
- 6) solar power plant,
- 7) geothermal power plant,
- 8) biodegradable waste power plant,
- 9) landfill gas power plant,
- 10) power plant using gas from urban waste water treatment plants, and
- 11) power plant using other renewable energy sources.

Power plant from paragraph 1 of this Article must be a newly built or reconstructed one.

Incentive measures may be acquired for full capacity of a part of the capacity of the power plant from paragraph 1 of this Article.

Reconstructed power plant from paragraph 2 of this Article is a power plant which produces electricity from renewable sources, where installations or equipment have been fully or partially replaced for the purpose of a renewing existing capacities or increasing the efficiency of capacities or improving the capacities of the plant, where reconstruction may be with or without a change of the type of power plant, in accordance with the law governing the construction of facilities.

A power plant under construction may not be the subject of an incentive.

Informing the Public on the Incentive System and Evaluation of System Efficiency

Article 13

The Ministry shall publish, for a period of three years, an overview of the incentive system in use, the framework schedule for holding auctions, frequency of auctions, expected new capacities from renewable energy sources that will be in the incentive system, total amount of incentive funds which will be allocated to privileged producers who exercise the right to incentives in the forthcoming three-year period, and the types of technologies to be supported in the incentive system, if this data is known.

The plan of the incentive system as per paragraph 1 of this Article shall be published by the Ministry by the end of February once every three years, updating every year until the end of February in case of changes to the data from paragraph 1 of this Article.

The Agency shall enact an impact assessment of the incentive system to the electricity market, end buyers, as investments in the electricity sector, if known, once in five years, taking into account the impact of any changes of the incentive system.

III MARKET PREMIUM SYSTEM

Term

Article 14

A market premium is a type of operational state aid that represents an addition to the market price of electricity delivered to the market by the premium beneficiaries, determined in euro cent per kWh in the auction process.

Market premium beneficiaries shall sell electricity from paragraph 1 of this Article at the electricity market.

A market premium may be acquired for full capacity or a part of the capacity of a power plant.

A market premium shall be paid monthly for electricity that a power plant delivers into the electricity system.

In case that the right to a market premium is acquired for a part of the capacity of a power plant, the quantity of electricity for which a market premium is paid shall be calculated by multiplying the percentage of the power plant capacity which is covered by the quota, by the quantity of electricity delivered into the electricity system during the calculation period.

If the premium market is defined in terms of the reference price, and the market price of electricity which serves as the basis for calculating the reference market price, is negative, the market price shall not be paid for a period of negative market price of electricity.

The Government shall, upon a proposal by the Ministry, further regulate the type, manner and conditions of acquisition, exercise and termination of the right to a market premium, and the method of determining reference market price.

Methodology for Determining the Market Premium

Article 15

For the purposes of auctions, the Agency shall determine the maximum market premium or the maximum purchase price of electricity at kWh.

For the purposes of auctions, the Agency shall determine the maximum market premium or the maximum purchase price of electricity at kWh.

The Methodology for determining a maximum market premium or maximum purchase price shall be prescribed by the Agency.

Based on the methodology from paragraph 3 of this Article, the Agency shall, at the latest by the end of December of the current year for the next year when auctions are planned, publish on its website the maximum feed-in tariffs and/or maximum purchase prices for each type and subtype of power plants for which quotas are prescribed, for the purpose of implementing auctions.

The methodology from paragraph 3 of this Article shall be published in *The Official Gazette of the Republic of Serbia*.

Auctions

Article 16

The right to a market premium shall be acquired in the auction procedure.

An auction may be organised in a unified manner for two or more types of power plants from Article 12 of this Law, or separately by specific types of power plants.

Implementation of auctions for specific types of power plants is deemed to be in accordance with the state aid rules, if one or more conditions are fulfilled with respect to:

- 1) long-term potential of a certain new and innovative technology,
- 2) fulfilment of the need for a diversification of renewable energy sources,
- 3) due to the network limitations and the stability of the system, and
- 4) costs of the integration into the system.

Due to the network limitations and the stability of the system, auctions can be implemented for specific geographical areas, for one more types of power plants.

An entity granting state aid, allocated in accordance with this Law, shall explain it to the competent authority for state aid control that conditions from paragraph 3 of this Article are fulfilled, in case that auctions are implemented for specific types of power plants.

The Ministry shall implement auctions based on the available quotas prescribed by the Government.

In accordance with this Law, applicable planning documents in the field of energy, assumed international obligations, and available data on existing capacities, planned needs and other data relevant for determining quotas, the Government shall prescribe quotas, whereby it may divide each type of power plant referred to in Article 12 of this Law into subdivisions according to the size of the power plant or other criteria and prescribe special quotas for each subtype, as well as special quotas for reconstructed power plants.

Initiating Auction Procedures

Article 17

The Ministry shall announce the beginning of the planned auction on its web platform/website at least 45 days in advance.

The procedure shall be initiated and implemented based on a public call.

A public call shall in particular contain the following:

- 1) who is eligible for submitting an application to participate in the auction,
- 2) available quotas per type and installed power of the power plant,
- 3) maximum amount of market premium, i.e. amount of maximum incentive purchase price;
- 4) method and form for applying for the auctions,
- 5) list of documents to be submitted along with the application for participation in the auction,
- 6) conditions for qualification and competition in the auction in accordance with this Law and by-law adopted on the basis of this Law,
- 7) deadlines in the auction procedure,
- 8) data on the financial bid bond which shall be submitted in the auction procedure,
- 9) deadline for project implementation, and
- 10) data on legal remedies in the auction.

The Ministry shall issue a public call based on this Law and the by-laws adopted on the basis of this Law.

The Ministry shall publish on the web platform, and/or website, forms that the auction participants submit regarding the public call in the auction procedure, and information on auctions held, including the degree of implementation of projects from the auctions.

Until the decision on the best bids, the procedure shall be implemented by a committee formed by decision by the minister competent for energy affairs (hereinafter: Committee).

The Committee shall produce a report on the actions undertaken during the procedure.

The Government, upon a proposal by the Ministry, shall also further prescribe other elements which must be contained in the public call, conditions, deadline and method of applying to auctions, evidence on the fulfilment of conditions from the public call, and conditions for formation of the Committee.

Auction Procedure

Article 18

The initiation, submission and exchange of documents, notification, publishing and form of decisions, shall be implemented in accordance with this Law, in electronic or paper form, as established by the public call.

The submission of regulatory acts under the auction procedure shall be conducted by public delivery through the publication of notices on the Ministry website and bulletin board.

The auction procedure shall consist of three phases: qualification, competition and selection of best bids.

The Government, upon a proposal by the Ministry, shall further prescribe the initiation, submission and exchange of documents, notification, contents and form of the bid, method of protection of the contents of the bid until its opening, big opening time, publication and form of decisions.

Qualifications

Article 19

The qualification is an elimination phase of the auction procedure where the applied participants are selected based on compliance with the conditions regarding the following:

- 1) type and installed power of the power plant;
- 2) planning basis for construction of the connection of the power plant to the electricity system,
- 3) if an auction participant has obtained:
 - (1) a legal energy license for a power plant,
 - (2) location conditions,
 - (3) bid bond.

The Government may also prescribe other conditions for qualifications by the act from paragraph 4 of this Article.

The bid bond from paragraph 1, item 3), subitem (3) of this Article shall be submitted in the form of a monetary deposit in dinar countervalue according to the official middle exchange rate of the National Bank of Serbia as of the payment date, which shall be paid to the special deposit sub-account of the Ministry, in accordance with regulations governing the budget system, or in the form of a bank guarantee which is unconditional, irrevocable, payable at first call and without the right to objection, in the amount determined by the Ministry in the public call.

The Government, upon a proposal by the Ministry, shall further prescribe the conditions for an application in the qualification phase, the contents and amount of the bid bond, the model bank guarantee, conditions and method of collection of bid bond.

Competition

Article 20

Competition is the phase of the auction process where the bids of those participants that have passed the qualifications phase compete by the criterion of which bid offers a lower market premium compared to the maximum market premium, and/or lower amount of purchase price compared to the maximum purchase price.

Bids that exceed the maximum amount of market premium and/or the maximum purchase price, shall not be considered.

Ranking List and Filling the Quota

Article 21

Bids that have passed the qualifications and competition phase shall be ranked from lowest to highest amount of market premium, and/or maximum incentive purchase price, and shall fill the quota in that sequence.

The bid from paragraph 1 of this Article may concern the full capacity or a part of the capacity of a power plant.

When the sum of installed capacities of all power plants for the ranked bids from paragraph 1 of this Article reaches the amount of the prescribed quota, the quota shall be filled.

In case two or more participants in the auction procedure compete for the available quota with the same market premium, and/or same purchase price, the remaining quota shall be distributed to these participants in proportional to the offered capacity of the power plant.

Based on the rules prescribed in paragraphs 1-4 of this Article, the Committee shall produce a ranking list that they shall submit, with the report on the implemented procedure, to the Ministry.

Selection of Best Bids and Legal Protection

Article 22

Based on the ranking list and a report on the implemented procedure made by the Committee, the Ministry shall make a decision on awarding the right to market premium, or decision on rejecting the right to market premium for participants in the auction procedure.

The decision from paragraph 1 of this Article shall be final and an administrative dispute may be initiated against it.

An auction participant may initiate an administrative dispute only against the decision on their own right.

The right of the auction participants which have been assigned a right to a market premium in the auction procedure shall remain unchanged and in force regardless of the outcome of the administrative dispute initiated by another auction participant against this decision.

The Ministry shall entrust the right to an appropriate market premium outside of the auction quota, if the outcome of the final decision in a resolved administrative dispute is such that an auction participant is entitled to a market premium.

Status of Temporary Privileged Power Producer

Article 23

Participants in the auction procedure whose bids in the auctions are covered by the decision from Article 22 of this Law shall acquire the status of temporary privileged power producer on the date of the adoption of this decision.

A temporary privileged producer shall submit the bid bond to the Ministry within 30 days from the date of acquisition of this status.

The bid bond from paragraph 2 of this Article shall be submitted in the form of a monetary deposit in dinar countervalue according to the official middle exchange rate of the National Bank of Serbia as of the payment date, which shall be paid to the special deposit sub-account of the Ministry, in accordance with regulations governing the budget system or in the form of a bank guarantee which is unconditional, irrevocable, payable at first call and without the right to objection, which shall ensure that the temporary privileged producer will, within the deadline prescribed by this Law, obtain a construction permit and approval of the impact assessment study, and/or decision that no impact assessment study is necessary, and that the temporary privileged producer will obtain the status of privileged power producer for the duration of the status of temporary privileged producer.

If the temporary privileged producer fails to submit the bid bond within the deadline from paragraph 2 of this Article, the Ministry shall enact a decision revoking the right to a market premium, and the temporary privileged producer will lose this status, where a part of the quota which it had reserved will remain unallocated.

In the case from paragraph 4 of this Article, the unallocated quota may be allocated in the next organised auction.

The decision from paragraph 4 of this Article shall be final and an administrative dispute may be initiated against it.

The Government, upon a proposal by the Ministry, shall further prescribe the conditions for an application in the qualification phase, the contents and amount of the bid bond from paragraph 3 of this Article, the model bank guarantee, conditions and method of collection of bid bond from paragraph 3 of this Article, the assignment procedure, termination of the status of Temporary Privileged Producer.

Market Premium Agreement

Article 24

The temporary privileged producer that has submitted the financial instrument from Article 23 of this Law within the prescribed deadline shall sign an agreement on market premium with the authorised contractual party.

A guaranteed supplier will renew the rights and obligations of an authorised contracting party.

The Government may also appoint another person to exercise the rights and duties for authorised contracting parties, and this person shall have an adequate economic power and financial capacities, as well as the necessary expertise and resources for enacting this role.

The market premium agreement shall in particular contain data on the parties to the agreement and their rights and obligations, the subject matter of the agreement, amount and data on the market premium, potential payments to the authorized contractual party if the reference market price exceeds the predefined amount, type and capacity of the power plant, incentive period and deadline for conclusion of the agreement, reasons to terminate the agreement, method of dispute resolution and other elements relevant for the contents and purpose of the agreement in accordance with this Law.

The market premium within the premium agreement shall be determined in accordance with the bid by the temporary privileged producer for capacity of part of the capacity of the power plant which has entered into the quota under the auction procedure in accordance with the by-law from Article 14 of this Law.

The Government shall, upon a proposal by the Ministry, further prescribe the model market premium agreement.

Obligations of the Authorised Contractual Party

Article 25

The authorised contractual party shall:

- 1) upon request by the temporary privileged producer conclude a premium agreement within 30 days as of the date of submission of the request;
- 2) maintain a special account for transactions related to incentive measures in accordance with this Law;
- 3) maintain a register of premium agreements and publish them on its website and fulfil other obligations established by this Law and regulations adopted based on it.

The Government shall, upon a proposal by the Ministry, further prescribe the obligations of the authorised contracting party.

Duration and Extension of the Status of Temporary Privileged Producer

Article 26

A Temporary Privileged Producer shall obtain a construction permit and an approval of an impact assessment study, or a decision that no impact assessment study is necessary within two years from the date of obtaining the status of Temporary Privileged Producer.

If a Temporary Privileged Producer fails to obtain a construction permit and an approval of an impact assessment study, or a decision that no impact assessment study is not required within the deadline from paragraph 1 of this Article, the Ministry shall revoke the status of such Temporary Privileged Producer.

If a Temporary Privileged Producer obtains a construction permit within two years from the date of acquiring this status, the status of a temporary privileged producer shall be extended by three years, upon a proposal of a Temporary Privileged Producer.

As an exception from paragraph 3 of this Article, if a temporary privileged producer has obtained a construction permit prior to acquiring this status, the status of a temporary privileged producer shall last 3 years.

In cases referred to in paragraphs 3 and 4 of this Article, the status of a Temporary Privileged Producer may be extended, upon a proposal of a Temporary Privileged Producer, for a year, provided that a power plant has been built in terms of its structure.

In case of force majeure, the status of a temporary privileged producer may be extended for a year, for the purpose of preventing or mitigating harmful impacts, and/or eliminating harmful consequences of the force majeure.

A Temporary Privileged Producer shall submit a reasoned request for an extension of the status of a Temporary Privileged Producer, no later than 30 days prior to the expiry of the status of a Temporary Privileged Producer, and in the case of the force majeure from paragraph 1 of this Article, no later than 30 days from the date of the occurrence of the force majeure.

The Ministry shall decide on the request from paragraph 7 of this Article with a decision within 10 days as of the date of submission of the request.

The Government, upon a proposal by the Ministry, shall further prescribe the conditions and manner of extending the status of a Temporary Privileged Producer and adopting of a decision based on a request for extension of the status of a temporary producer in case of force majeure.

Obligations of a Temporary Privileged Producer

Article 27

A Temporary Privileged Producer shall:

- 1) within two years from the date of acquiring this status, obtain a legal construction permit for a power plant and an approval of the impact assessment study, or decision that an environmental impact assessment study is not required, unless the temporary privileged producer has obtained a construction permit for the power plant and an approval of the impact assessment study and/or decision that an impact assessment study is not required,
- 2) not increase the installed power of the power plant for which the status of temporary privileged producer has been obtained for the duration of the status of temporary privileged producer,
- 3) maintain the financial security instrument,
- 4) conclude the premium agreement, and
- 5) notify the Ministry, in case of changes to the facts used to acquire the status of temporary privileged producer, on the changes that occurred within 15 days as of the date of occurrence of the change.

A Temporary Privileged Producer shall, in addition to obligations from paragraph 1 of this Article, also meet the obligations from Article 30 of this Law during the trial operation prescribed by the Law governing the construction of facilities.

In the case from item 5) of this Article, if the occurred changes do not affect the compliance of the conditions used to issue the decision, the Ministry shall effect changes to the decision in accordance with the new data.

After the amendment of the decision from paragraph 3 of this Article, the Temporary Privileged Producer and authorised contracting party shall amend the Market Premium Agreement in order to coordinate it with the amendment of the decision.

In the case that the temporary privileged producer in accordance with paragraph 1, item 2) of this Article reduces the approved power of the power plant, the financial security instrument referred to in Article 23, paragraph 3 of this Law shall not be changed.

The Government shall, upon a proposal by the Ministry, further prescribe the obligations of the Temporary Privileged Producer.

Revoking the Status of Temporary Privileged Producer

Article 28

The status of Temporary Privileged Producer shall be revoked if:

- 1) the decision on acquiring the status of temporary privileged producer from renewable sources was made based on untrue data,
- 2) the Temporary Privileged Producer no longer meets the requirements for obtaining the status of Temporary Privileged Producer defined in this Law or conditions that the Ministry has determined for each individual auction procedure,
- 3) they do not meet the obligations determined by law and the by-law adopted on the basis of this Law;
- 4) the acts that were used to acquire the status of temporary privileged producer have been made legally revoked, cancelled or made null and void;
- 5) they fail to maintain the financial security instruments for the duration of the status of temporary privileged producer.

6) they do not meet the obligations from Article 30 of this Law during trial operation.

The Ministry, upon learning of the circumstances that indicate the facts based on which the status of Temporary Privileged Producer is being revoked, shall notify the competent inspector of this without delay.

Upon receiving acts by the competent inspector determining the facts from paragraph 1 of this Article, the Ministry shall adopt the decision on revoking the status of Temporary Privileged Producer within 5 days.

The decision from paragraph 3 of this Article shall be final and an administrative dispute may be initiated against it.

In the case of a revocation of the decision from paragraph 3 of this Article, the Temporary Privileged Producer shall lose the status of temporary privileged producer and the right to incentive measures from the date of finality of the decision.

The Government shall, upon a proposal by the Ministry, further prescribe the manner of the revocation of the status of a Temporary Privileged Producer.

Status of Privileged Power Producer

Article 29

A temporary privileged power producer shall acquire the status of Privileged Power Producer for full capacity or part of the capacity of the plant, if:

1) they have acquired a licence for performing the energy activity of producing electricity in accordance with the law regulating energy, covering the power plant for which they have acquired the status of temporary privileged producer, unless in accordance with the law regulating energy they are obliged to hold a licence,

2) the power plant from item 1 of this paragraph has been permanently connected to the electricity transmission, distribution, and/or closed distribution system for the approved power corresponding to the installed power for which the power plant has acquired the status of temporary privileged producer, in accordance with the law governing energy;

3) for the power plant from item 1 of this paragraph, special measurement has been secured separate from measurement in other technological processes:

(1) of the electricity transferred to the transmission system, distribution system and/or closed distribution system for electricity,

(2) of electricity received from the transmission system, distribution system and/or closed distribution system for the purposes of technological processes of power plant operation,

(3) thermal energy transferred to the system,

(4) received, and/or produced thermal energy for the needs of the technological processes of the power plant and preparation of fuels.

4) the power plant from item 1 of this paragraph is newly built, and/or reconstructed,

5) they have acquired a use permit in accordance with the law governing the construction of facilities for a power plant for which they have acquired the status of a temporary privileged producer.

6) they have a concluded market premium agreement in accordance with this Law and the by-laws adopted on the basis of this Law,

7) a water permit was issued for the power plant from item 1 of this paragraph in accordance with the law regulating water management, in case the subject of the request is a hydro power plant,

8) they have obtained an integrated permit, and/or permit for waste management or another act in accordance with regulations governing waste management and use of waste for energy production, in case the subject matter of the request is a biodegradable waste power plant,

9) for the power plant from item 1) of this Article an issued act by the environmental protection inspector on compliance with the conditions for nature protection, and the conditions and measures for environmental protection prescribed by the impact assessment study, the conditions from the waste management permit and integrated power plants and performing activities in accordance with the law regulating environmental protection.

The Ministry shall decide on the request for acquiring the status of privileged producer by decision under an administrative procedure within 15 days of the date of submission of the request.

The decision from paragraph 2 of this Article shall be final and an administrative dispute may be initiated against it.

The Government shall, upon a proposal by the Ministry, further prescribe the manner of acquisition, assignment and termination of the status of a temporary privileged producer.

Obligations of a Privileged Producer

Article 30

A Privileged Producer shall:

- 1) utilise renewable energy sources in the process of electricity production,
- 2) comply with all environmental regulations,
- 3) comply with all regulations in the field of water management in the case of a hydro power plant,
- 4) utilise reactive energy in accordance with the law governing energy, and rules on the operation of the transmission, distribution and/or closed distribution system,
- 5) ensure that the power plant, during its operation, does not exceed the value of installed power determined by the competent system operator,
- 6) make data required for system operation available to the transmission, distribution or closed distribution system operator, in accordance with the rules on the operation of the transmission system, rules on the operation of the distributor system or closed distribution system, and/or rules on the operation of the electricity market,
- 7) maintain records on the used fuels, except in the cases of hydro power plants, wind power plants and solar power plants,
- 8) submit work plans to the guaranteed supplier, and/or balance responsible party in accordance with the law,
- 9) remove the power plant after the expiry of its lifespan and remediate the soil within the prescribed deadline,
- 10) pay the monthly amount of deposits to the special deposit sub-account of the Ministry, in accordance with the regulations governing the budget system, for expenses of power plant removal after the expiry of its life span and remediation of the soil where the power plant, for which the privileged producer status was obtained, was located,
- 11) not change the installed power of the power plant,
- 12) notify the Ministry, in case of changes to the facts used to acquire the status of temporary privileged producer, on the changes that occurred within 15 days as of the date of occurrence of the change,

13) fulfil other obligations prescribed by the law governing energy, this Law and acts adopted based on this Law;

In the case from paragraph 1 item 12) of this Article, if the occurred changes do not affect the compliance of the conditions used to issue the decision, the Ministry shall effect changes to the decision in accordance with the new data.

In the case of paragraph 1 item 9) of this Article, the Ministry shall return the remaining amount of the deposit to the privileged producer after the removal of the power plant and the remediation of the soil where the where the power plant, for which the Privileged Producer status was obtained, was located,

If the Privileged Producer fails to remove the power plant and/or remediate the soil where the power plant is located within the prescribed deadline, the Ministry shall remove the power plant and remediate the soil through another person, at the expense of a Privileged Producer, and using funds from the monetary deposit from paragraph 1) item 10) of this Article.

After an amendment of the decision from paragraph 2 of this Article, the temporary privileged producer and authorised contracting party shall amend the Market Premium Agreement in order to coordinate it with the amendment of the decision.

If a Privileged Producer produces power within a certain period in violation of the conditions from paragraph 1, items 4) and 5) of this Article, such a privileged producer shall have no right to the market premium for that period.

The Government, upon a proposal by the Ministry, shall further prescribe the obligations of a Privileged Producer, amount of monetary deposit for expenses of the removal of the power plant after the expiry of its life span and the remediation of the soil where the power plant was located, the deadline and procedure for the removal of the power plant and remediation of the soil.

Revoking the Status of Privileged Producer

Article 31

The status of Privileged Producer shall be revoked if:

- 1) the decision on acquiring the status of privileged power producer was made based on untrue data,
- 2) they cease to comply with the conditions for acquiring the status of privileged producer determined by this Law and by-laws adopted on the basis of this Law,
- 3) they do not meet the obligations determined by this Law and the by-laws adopted on the basis of this Law;
- 4) they produce electricity contrary to regulations in the field of energy;
- 5) the acts that were used to acquire the status of privileged producer have been made legally revoked, cancelled or made null and void.

The Ministry, upon learning of the circumstances that indicate the facts based on which the status of privileged producer is being revoked, shall notify the competent inspector of this without delay.

Upon receiving acts by the competent inspector determining the facts from paragraph 1 of this Article, the Ministry shall adopt the decision on revoking the status of privileged producer within 5 days.

The decision from paragraph 3 of this Article shall be final and an administrative dispute may be initiated against it.

In the case of an adoption of the decision from paragraph 3 of this Article, the Privileged Producer shall lose the status of privileged producer and the right to incentive measures from the date of finality of the decision.

The Government shall, upon a proposal by the Ministry, further prescribe the manner of the revocation of the status of a Privileged Producer.

Incentive Period

Article 32

The incentive period is a given period of time wherein the privileged producer is paid a market premium.

The incentive period shall last 15 years from the date of the first payment of the market premium.

IV FEED-IN TARIFF SYSTEM

Term

Article 33

A feed-in tariff is a type of operational state aid awarded in the form of an incentive purchase price guaranteed per kWh for electricity delivered to the electrical power system during the incentive period.

A feed-in tariff may be acquired for small plants and demonstration projects, in accordance with this Law and the by-law adopted on the basis of this Law.

Feed-in tariffs shall be calculated and paid on a monthly basis.

A feed-in tariff can be acquired for the entire or part of an electric power plant capacity.

The Ministry shall assign the right to a feed-in tariff under the auction procedure based on the available quotas prescribed by the Government.

In the case that the right to the feed-in tariff is acquired for a part of the power plant capacity, the electric power the feed-in tariff is paid for is obtained by multiplying the percentage of the power plant capacity that has entered the quota by the electricity delivered to the electricity system in the accounting period.

When prescribing quotas, the Government may categorise each type of power plant referred to in Article 12 of this Law, as well as demonstration projects into subgroups according to the size of the power plant or other criteria and prescribe special quotas for each power plant subtype, as well as special quotas for reconstructed power plants.

The Government shall issue the act referred to in Paragraph 5 of this Article in accordance with law, valid planning documents in the field of energy, international obligations undertaken, as well as the available data on the existing capacities, planned needs and other data relevant for determining quotas.

At the proposal of the Ministry, the Government shall specify the conditions under which small plants and demonstration projects may acquire a feed-in tariff, as well as the manner for acquiring the status of a privileged producer for small plants and demonstration projects.

Methodology for Determining Feed-In Tariffs

Article 34

In the case that feed-in tariffs are awarded in auction procedures, the maximum feed-in tariff is determined in advance, the amount of which auction participants cannot exceed with their bids at the auction.

For reconstructed power plants, the Agency determines a specific maximum feed-in tariff for electricity per kWh.

The methodology for determining the maximum feed-in tariffs from paragraph 1 of this Article shall be prescribed by the Agency.

Based on the methodology from paragraph 2 of this Article, the Agency shall, at the latest by the end of December of the current year for the next year when auctions are planned, publish on their website the maximum feed-in tariffs for each type and subtype of power plants for which quotas are prescribed, for the purpose of implementing auctions.

The methodology from paragraph 3 of this Article shall be published in *The Official Gazette of the Republic of Serbia*.

Method of awarding feed-in tariffs

Article 35

The feed-in tariffs are awarded in accordance with the rules of the auction procedure from Articles 16 – 22 of this Law.

At the proposal of the Ministry, the Government regulates the details of the manner, conditions and procedure of assigning, exercising and terminating the right to a feed-in tariff.

Status of Temporary Privileged Producer

Article 36

Participants in the auction procedure whose bids in the auctions are covered by the decision on the recognition of the right to feed-in tariffs shall acquire the status of temporary privileged power producer on the date of the adoption of this decision.

A Temporary Privileged Producer shall submit a financial security instrument (the bid bond) to the Ministry within 30 days from the date of acquiring this status.

The financial security instrument (bid bond) referred to in Paragraph 2 hereof is to be delivered in the form of a financial deposit in RSD equivalent at the middle exchange rate of the National Bank of Serbia on the day of the payment, which is to be paid to the special deposits sub-account of the Ministry in accordance with the regulations governing the budget system or in the form of a bank guarantee that is unconditional, irrevocable, payable at first call and without the right to objection, which ensures that, within the period prescribed by this law, it shall obtain a building permit and approval of the impact assessment study, i.e. the decision that an environmental impact assessment is not required to acquire the status of a privileged electricity producer within the status of a temporary privileged producer.

In the case of a demonstration project or a small plant with an approved power below 100 kW, the financial security instrument referred to in Paragraph 2 hereof is not to be delivered.

If the temporary privileged producer fails to submit a financial instrument within the deadline specified in Paragraph 2 hereof, the Ministry shall pass a decision to revoke the right to the market premium, and the temporary privileged producer shall lose this status, while the quotas they have reserved shall become unallocated.

In the case from paragraph 5 of this Article, the unallocated quota may be allocated in the next organised auction.

In the case from paragraph 5 of this Article, the Ministry shall make a decision on revoking the right to a feed-in tariff, and the temporary privileged producer shall lose this status.

The decision from paragraph 5 of this Article shall be final and an administrative dispute may be initiated against it.

At the proposal of the Ministry, the Government shall specify the conditions for applying in the qualification phase, the content and amount of the financial security instrument referred to in paragraph 3 hereof, the bank guarantee model, conditions and manner of collection of the financial security instrument referred to in paragraph 3 hereof, transfer and termination of the status of temporary privileged producer.

Feed-In Tariff Agreement

Article 37

Temporary privileged producers shall gain the right to feed-in tariffs, incentive periods and undertaking balancing responsibility through the conclusion of a feed-in tariff agreement with the guaranteed supplier.

The feed-in tariff agreement from paragraph 1 of this Article shall in particular contain the following: data on the parties to the contract and their rights and obligations, the subject matter of the agreement, type and installed power of the power plant of the privileged producer, the place of energy handover into the system, the place and method of measurement, the price of electricity and method and conditions for changing the price, the method and dynamics of calculation, invoicing and payment, interest in case of untimely payment, security instruments for payments, obligations of the guaranteed supplier regarding undertaking balancing responsibility and privileged producer regarding planning the work of the power plant, conditions during the trial period, when the agreement is concluded by a temporary privileged producer, incentive period and deadline for concluding the agreement, reasons for terminating the agreement, method of resolving disputes and other elements relevant for the content and purpose of the agreement in accordance with this Law.

The Government shall, upon a proposal by the Ministry, further prescribe the model feed-in tariff agreement.

Obligations of the Guaranteed Supplier

Article 38

The Guaranteed Supplier shall:

- 1) conclude a feed-in tariff agreement in accordance with this Law,
- 2) undertake the rights and obligations of the previous guaranteed supplier within the deadline, in the way and under the conditions established by the public tender in accordance with the law regulating energy,
- 3) maintain a register of power purchase agreements and feed-in tariff agreements and publish them on its website,
- 4) undertake balancing responsibility in accordance with this Law and regulations made based on it,
- 5) submit to the Ministry the data necessary to determine the reimbursement for incentives to privileged electricity producers in accordance with the by-laws adopted on the basis of this Law,
- 6) maintain a special account for transactions related to incentive measures in accordance with this Law,
- 7) publish adjusted incentive purchase prices for electricity for power purchase agreements every year, and
- 8) fulfil other obligations determined by this Law.

The Government shall, upon a proposal by the Ministry, further prescribe the obligations of the Guaranteed Supplier.

Duration and Extension of the Status of Temporary Privileged Producer

Article 39

A Temporary Privileged Producer shall obtain a construction permit and an approval of an impact assessment study, or a decision that no impact assessment study is not required, within two years from the date of obtaining the status of Temporary Privileged Producer.

If a Temporary Privileged Producer fails to obtain a construction permit and an approval of an impact assessment study, or a decision that no environmental impact assessment is not required within the deadline from paragraph 1 of this Article, the Ministry shall revoke its the status of such Temporary Privileged Producer.

If a Temporary Privileged Producer obtains a construction permit and an approval of an impact assessment study, or a decision that an environmental impact assessment is not required, y within two years from the date of acquisition of that status, the status of Temporary Privileged Producer shall be extended for three years at a request of a Temporary Privileged Producer.

As an exception from paragraph 3 of this Article, if a temporary privileged producer has obtained a construction permit prior to acquiring this status, the status of a temporary privileged producer shall last 3 years.

In cases referred to in paragraphs 3 and 4 of this Article, the status of a temporary privileged producer may be extended, upon a proposal of a temporary privileged producer, for a year, provided that a power plant has been built.

In case of force majeure, the status of a temporary privileged producer may be extended for a year, for the purpose of preventing or mitigating harmful impacts, and/or eliminating harmful consequences of the force majeure.

A temporary privileged producer shall submit a reasoned request for an extension of the status of a temporary privileged producer, no later than 30 days prior to the expiry of the status of a temporary privileged producer, and in the case of the force majeure from paragraph 1 of this Article, no later than 30 days from the date of the occurrence of the force majeure.

The Ministry shall decide on the request from paragraph 7 of this Article with a decision within 10 days as of the date of submission of the request.

The Government, upon a proposal by the Ministry, shall further prescribe the conditions and manner of extending the status of a temporary privileged producer and adopting of a decision based on a request for extension of the status of a temporary producer in case of force majeure.

Obligations of a Temporary Privileged Producer

Article 40

A Temporary Privileged Producer shall:

- 1) within two years from the date of acquiring this status, obtain a valid construction permit for a power plant and an approval of the impact assessment study, or decision that an environmental impact assessment study is not required, unless the temporary privileged producer has obtained a construction permit for the power plant and an approval of the impact assessment study and/or decision that an impact assessment study is not required,

- 2) not increase the installed power of the power plant for which the status of temporary privileged producer has been obtained for the duration of the status of temporary privileged producer,
- 3) maintain the financial security instrument,
- 4) conclude a Feed-In Tariff Agreement,
- 5) notify the Ministry, in case of changes to the facts used to acquire the status of temporary privileged producer, on the changes that occurred within 15 days as of the date of occurrence of the change.

A Temporary Privileged Producer shall, in addition to obligations from paragraph 1 of this Article, also meet the obligations from Article 43 of this Law during the trial operation prescribed by the law governing the construction of facilities.

In the case from paragraph 1 of item 5) of this Article, if the occurred changes do not affect the compliance of the conditions used to issue the decision, the Ministry shall effect changes to the decision in accordance with the new data.

After the amendment of the decision from paragraph 3 of this Article, the Temporary Privileged Producer and Guaranteed Supplier shall amend the Feed-In Tariff Agreement in order to coordinate it with the amendment of the decision.

In the case that the temporary privileged producer in accordance with paragraph 1, item 2) of this Article reduces the approved power of the power plant, the financial security instrument referred to in Article 23, paragraph 3 of this Law shall not be changed.

The Government shall, upon a proposal by the Ministry, further prescribe the obligations of the Temporary Privileged Producer.

Revoking the Status of Temporary Privileged Producer

Article 41

The status of Temporary Privileged Producer shall be revoked if:

- 1) the decision on acquiring the status of Temporary Privileged Producer from renewable sources was made based on untrue data;
- 2) fails to meet the obligations prescribed by law and the by-law regulating the obligations of a Temporary Privileged Producer,
- 3) the acts that were used to acquire the status of Temporary Privileged Producer have been made legally revoked, cancelled or made null and void;
- 4) they fail to maintain the financial security instruments for the duration of the status of Temporary Privileged Producer.

The Ministry, upon learning of the circumstances that indicate the facts based on which the status of Temporary Privileged Producer is being revoked, shall notify the competent inspector of this without delay.

Upon receiving acts by the competent inspector determining the facts from paragraph 1 of this Article the Ministry shall adopt the decision on revoking the status of Temporary Privileged Producer within 5 days.

The decision from paragraph 3 of this Article shall be final and an administrative dispute may be initiated against it.

In the case of a revocation of the decision from paragraph 3 of this Article, the Temporary Privileged Producer shall lose the status of temporary privileged producer and the right to incentive measures from the date of finality of the decision.

The Government shall, upon a proposal by the Ministry, further prescribe the manner of the revocation of the status of a Temporary Privileged Producer.

Status of Privileged Power Producer

Article 42

A Temporary Privileged Power Producer shall acquire the status of Privileged Power Producer, on a request on the prescribed form, if:

1) they have acquired a licence for performing the energy activity of producing electricity in accordance with the law regulating energy, covering the power plant for which they have acquired the status of temporary privileged producer, unless in accordance with the law regulating energy they are obliged to hold a licence,

2) the power plant from item 1 of this paragraph has been permanently connected to the electricity transmission, distribution, and/or closed distribution system for the approved power corresponding to the installed power for which the power plant has acquired the status of temporary privileged producer, in accordance with the law governing energy;

3) for the power plant from item 1 of this paragraph, special measurement has been secured separate from measurement in other technological processes:

(1) of the electricity transferred to the transmission system, distribution system and/or closed distribution system for electricity,

(2) of electricity received from the transmission system, distribution system and/or closed distribution system for the purposes of technological processes of power plant operation,

(3) thermal energy transferred to the system,

(4) received, and/or produced thermal energy for the needs of the technological processes of the power plant and preparation of fuels,

4) the power plant from item 1 of this paragraph is newly built, and/or reconstructed,

5) they have acquired a use permit in accordance with the law governing the construction of facilities for a power plant for which they have acquired the status of a temporary privileged producer.

6) they have a concluded feed-in tariff agreement in accordance with this Law and the by-laws adopted based on it;

7) a water permit was issued for the power plant from item 1 of this paragraph in accordance with the law regulating water management, in case the subject of the request is a hydro power plant,

8) they have obtained an integrated permit, and/or permit for waste management or another act in accordance with regulations governing waste management and use of waste for energy production, in case the subject matter of the request is a biodegradable waste power plant,

9) for the power plant from item 1) of this Article an issued act by the environmental protection inspector on compliance with the conditions for the operation of the power plant and performance of activities in accordance with the regulations regulating environmental protection.

The Ministry shall decide on the request for acquiring the status of privileged producer by decision under an administrative procedure within 15 days of the date of submission of the request.

The decision from paragraph 2 of this Article shall be final and an administrative dispute may be initiated against it.

The Government shall, upon a proposal by the Ministry, further prescribe the manner of acquisition, assignment and termination of the status of a temporary privileged producer.

Obligations of a Privileged Producer

Article 43

A Privileged Producer shall:

- 1) utilise renewable energy sources in the process of electricity production,
- 2) comply with all environmental regulations,
- 3) comply with all regulations in the field of water management in the case of a hydro power plant;
- 4) maintain records on the used fuels, except in the cases of hydro power plants, wind power plants and solar power plants,
- 5) submit work plans to the balance responsible party,
- 6) notify the Ministry on any changes that occur within 15 days as of the date of occurrence of the change, in case of changes to the facts that the status of privileged producer was acquired was based on,
- 7) ensure that the power plant, during its operation, does not exceed the value of installed power determined by the competent system operator,
- 8) utilise reactive energy in accordance with the law governing energy, and rules on the operation of the transmission, distribution and/or closed distribution system,
- 9) make data required for system operation available to the transmission, distribution or closed distribution system operator, in accordance with the rules on the operation of the transmission system, rules on the operation of the distributor system or closed distribution system, and/or rules on the operation of the electricity market,
- 10) not change the installed power of the power plant,
- 11) remove the power plant after the expiry of its lifespan and remediate the soil within the prescribed deadline,
- 12) pay monthly amount of deposits to the special deposit sub-account of the Ministry, in accordance with the regulations governing the budget system, for expenses of power plant removal after the expiry of its life span and remediation of the soil where the power plant, for which the privileged producer status was obtained, was located,
- 13) fulfil other obligations prescribed by the law governing energy, this Law and acts adopted based on this Law.

In the case from paragraph 1 of item 6) of this Article, if the occurred changes do not affect the compliance of the conditions used to issue the decision, the Ministry shall effect changes to the decision in accordance with the new data.

After an amendment of the decision from paragraph 2 of this Article, the privileged producer and guaranteed supplier shall amend the Feed-In Premium Agreement in order to coordinate it with the amendment of the decision.

If a privileged producer produces power within a certain period in violation of the conditions from paragraph 1, items 7) and 8) of this Article, such a privileged producer shall have no right to the feed-in premium for that period.

In the case of paragraph 1, item 11) of this Article, the Ministry shall return the remaining amount of the deposit to the privileged producer after the removal of the power plant and the remediation of the soil where the where the power plant, for which the privileged producer status was obtained, was located,

If the privileged producer fails to remove the power plant and/or remediate the soil where the power plant is located within the prescribed deadline, the Ministry shall remove the power plant and remediate the soil through another person, at the expense of a privileged producer, and using funds from the monetary deposit from paragraph 1) item 12) of this Article.

The Government, upon a proposal by the Ministry, shall further prescribe the obligations of a privileged producer, amount of monetary deposit for expenses of the removal of the power plant after the expiry of its life span and the remediation of the soil where the power plant was located, the deadline and manner for the removal of the power plant and remediation of the soil.

Revoking the Status of Privileged Producer

Article 44

The status of Privileged Producer shall be revoked if:

- 1) the decision on acquiring the status of privileged power producer was made based on untrue data;
- 2) they cease to comply with the conditions for acquiring the status of privileged producer determined by this Law and the by-law regulating the obligations of a Privileged Producer,
- 3) they do not meet the obligations determined by this Law and the by-laws adopted on the basis of this Law,
- 4) produce electricity contrary to regulations in the field of energy,
- 5) the acts that were used to acquire the status of privileged producer have been made legally revoked, cancelled or made null and void.

The Ministry, upon learning of the circumstances that indicate the facts based on which the status of privileged producer is being revoked, shall notify the competent inspector of this without delay.

Upon receiving acts by the competent inspector determining the facts from paragraph 1 of this Article, the Ministry shall adopt the decision on revoking the status of privileged producer within 5 days.

The decision from paragraph 3 of this Article shall be final and an administrative dispute may be initiated against it.

In the case of an adoption of the decision from paragraph 3 of this Article, the Privileged Producer shall lose the status of privileged producer and the right to incentive measures from the date of finality of the decision.

The Government shall, upon a proposal by the Ministry, further prescribe the manner of the revocation of the status of a temporary privileged producer.

Incentive Period for the Feed-In Tariff

Article 45

The incentive period is a given period of time wherein the privileged producer is paid a feed-in premium.

The incentive period shall last 15 years from the date of the first payment of the feed-in premium.

V POWER PURCHASE AGREEMENT FOR ELECTRICITY GENERATED FROM RENEWABLE ENERGY SOURCES

Article 46

Power producers from renewable energy sources may conclude a power purchase agreement for electricity generated from renewable energy sources with the end-buyer, according to the market principle.

Power producers from renewable sources from paragraph 1 of this Article shall have a license for electricity supply, in accordance with the law governing energy.

VI GUARANTEE OF ORIGIN

Producer from Renewable Energy Sources

Article 47

A producer from renewable electrical energy sources is an energy entity producing electricity from renewable sources which does not have the status of Temporary Privileged Producer or Privileged Producer (hereinafter: producer from renewable energy sources).

Producer from renewable energy sources is entitled to guarantees of origin.

As an exception from paragraph 1 of this Article, if the temporary privileged producer or privileged producer has acquired that status only for a part of the capacity of the power plant, they may acquire the status of a power producer from renewable sources for the remaining part of the capacity of the power plant which is outside of the incentive system.

Power producer from renewable sources from paragraph 1 of this Article may acquire the status of producer from renewable sources if:

- 1) they utilise renewable energy sources in the process of electricity production,
- 2) a use permit was obtained for the power plant in accordance with the law regulating the construction of facilities,
- 3) they have secured separate measurement, distinct from measurement in other technological processes, measuring the received and transmitted electrical, and/or thermal energy into the system,
- 4) they hold a licence for performing the activity in accordance with the law regulating the field of energy,
- 5) that it is connected to the electricity transmission, distribution, and/or closed distribution system.

The Ministry shall decide on the request for acquiring the status of producer from renewable sources by decision under an administrative procedure within 15 days of the date of submission of the request.

The decision from paragraph 4 of this Article shall be final and an administrative dispute may be initiated against it.

Obligations of a Producer from Renewable Energy Sources

Article 48

A producer from renewable energy sources shall:

- 1) utilise only renewable energy sources in the process of electricity production,
- 2) comply with all environmental regulations,
- 3) comply with all regulations in the field of water management in the case of a hydro power plant,
- 4) maintain records on the used fuels, except in the cases of hydro power plants, wind power plants and solar power plants,
- 5) submit work plans to the guaranteed supplier, and/or balance responsible party in accordance with the law,
- 6) ensure that the power plant, during its operation, does not exceed the value of installed power determined by the competent system operator,
- 7) utilise reactive energy in accordance with the Law on Energy, and rules on the operation of the transmission, distribution and/or closed distribution system,
- 8) make data required for system operation available to the transmission, distribution or closed distribution system operator, in accordance with the rules on the operation of the

transmission system, rules on the operation of the distributor system or closed distribution system, and/or rules on the operation of the electricity market,

9) fulfil other obligations prescribed by this Law and acts adopted based on this Law, and/or the law governing energy;

10) notify the Ministry on any changes that occur within 15 days as of the date of occurrence of the change, in case of changes to the facts that the status of producer from renewable sources was acquired was based on,

11) fulfil other obligations prescribed by this Law and acts adopted based on this Law.

In the case from paragraph 1 of item 10) of this Article, if the occurred changes do not affect the compliance of the conditions used to issue the decision, the Ministry shall effect changes to the decision in accordance with the new data.

After the amendment of the decision from paragraph 2 of this Article, the producer from renewable energy sources shall notify the transmission operator thereof with a view to updating data in the Register of Guarantees of Origin.

Revoking the Status of Producer from Renewable Energy Sources

Article 49

The status of producer from renewable sources shall be revoked if:

- 1) the decision on acquiring the status of power producer was made based on untrue data;
- 2) they cease to comply with the conditions for acquiring the status of producer determined by this Law and by-laws adopted on the basis of this Law,
- 3) they do not meet the obligations determined by this Law and the by-laws adopted on the basis of this Law,
- 4) produce electricity contrary to regulations in the field of energy,
- 5) the acts that were used to acquire the status of producer from renewable sources have been made legally revoked, cancelled or made null and void.

The Ministry, upon learning of the circumstances that indicate the facts based on which the status of producer from renewable sources is being revoked, shall notify the competent inspector of this without delay.

Upon receiving acts by the competent inspector determining the facts from paragraph 1 of this Article, the Ministry shall adopt the decision on revoking the status of temporary producer from renewable energy sources within 5 days.

In the case of an adoption of the decision from paragraph 3 of this Article, the Producer from Renewable Sources shall lose the status of producer from renewable sources and the right to incentive measures from the date of finality of the decision.

The decision from paragraph 3 of this Article shall be final and an administrative dispute may be initiated against it.

Issuing, Transferring of and Cessation of the Guarantee of Origin

Article 50

The transmission system operator shall issue to the producer from renewable energy sources a guarantee of origin at their request and shall be responsible for its correctness, reliability and protection against abuse.

The distribution system or closed distribution system operator shall submit to the transmission system operator data on the electricity produced by producers from renewable energy sources connected to the distribution or closed distribution system for which a guarantee of origin is issued.

A guarantee of origin cannot be issued for electricity produced in a reversible hydro power plant in case such production is the consequence of pump operation.

If the status of the producer from renewable sources is obtained for a part of the capacity of the power plant, electricity for which guarantees of origin are issued shall be calculated by multiplying the percentage of the capacity of the power plant which is outside of the incentive systems with the quantity of electricity delivered into the electricity system during the calculation period.

A request for issuing a guarantee of origin from paragraph 1 of this Article may be submitted within a deadline no longer than six months as of the latest date of the period of electricity production that the issuing of the guarantee of origin is requested for, and at the latest until 15 March of the current year for production from the previous year.

A guarantee of origin shall be issued only once for a unit net amount of 1 MWh of produced electricity measured at the place of transfer into the transmission, distribution or closed distribution system.

The period of production of electricity that the guarantee of origin is being issued for may not exceed one year.

A guarantee of origin shall be valid for one year starting from the last day of the period of production it is issued for.

A guarantee of origin shall cease to be valid after its use, revocation, or expiry of the deadline of one year as of the last day of the period of production of electricity it was issued for.

A guarantee of origin shall be transferable.

The procedure of issuing, transmission and termination of validity of a guarantee of origin shall be based on the principles of objectivity, transparency and non-discrimination.

Guarantees of Origin Issued in Other Countries

Article 51

A guarantee of origin issued in other countries shall be valid in the Republic of Serbia under conditions of reciprocity, in accordance with ratified international treaties.

The transmission system operator shall decide on the recognition of guarantees of origin from paragraph 1 of this Article.

If the transmission system operator is a member of the European association of bodies for issuing guarantees of origin, the guarantee of origin issued in other states will be valid in accordance with the rules of this association.

Transferability of a Guarantee of Origin

Article 52

Guarantees of origin may be transferred independently from the produced electricity they relate to.

To ensure the electricity produced from renewable sources is shown to the buyer as spent only once, double calculation and double display needs to be avoided.

Electricity produced from renewable sources, for which the producer from renewable sources has sold the relevant guarantees of origin separately from this electricity, may not be shown or sold to the end buyer as electricity produced from renewable sources.

Contents of a Guarantee of Origin

Article 53

A guarantee of origin for electricity produced from renewable sources shall contain in particular:

- 1) the name, location, type and power of production capacities,
- 2) the date of commissioning,
- 3) data that the guarantee of origin relates to electricity,
- 4) the date of start and end of electricity production that the guarantee of origin is issued for,
- 5) data whether the construction of production capacities used investment support and the type of such support,
- 6) data whether incentive measures were used and type of incentive,
- 7) the date and country of issue and unique identification number.

The amount of electricity produced from renewable sources that corresponds to the amount of guarantees of origin transferred from the supplier to a third party shall be subtracted from the share of electricity from renewable sources in the mix of this supplier when the supplier, in accordance with the law regulating the field of energy, in or with the invoice for the sold electricity or in another appropriate way provides the buyer with insight into the data on the share of all types of energy sources in the total sold electricity for this supplier during the past year.

Register of Guarantees of Origin

Article 54

The transmission system operator shall maintain a register of guarantees of origin in electronic form and publish data from the register on their website.

The Government shall further prescribe the method of maintaining the register of guarantees of origin from paragraph 1 of this Article.

The register shall also contain guarantees of origin issued in accordance with Article 53 of this Law and a remark that they were issued by another country.

The transmission system operator shall have the right to a reimbursement for the issuing, transfer and use of the guarantee of origin in accordance with the act determining the amount of reimbursement that the Agency is issuing approval for.

The act from paragraph 4 of this Article shall be published on the website of the transmission system operator and the Agency.

Calculation of the Share of All Types of Energy Sources in the Sold Electricity

Article 55

The transmission system operator shall calculate and publicly publish the shares of all types of energy sources in the electricity sold to end buyers in the Republic of Serbia.

During the calculation from paragraph 1 of this Article, the transmission system operator shall in particular take into consideration the used and expired guarantees of origin.

The supplier shall calculate and show to the end buyer data on the share of each energy source in the total sold electricity in accordance with the law regulating the field of energy, based on publicly published data by the transmission system operator from paragraph 1 of this Article and the used guarantees of origin.

The Agency shall monitor the transmission system operator, distribution system operator, closed distribution system operator, suppliers and other entities in performing the obligations established by the Law and regulations adopted on the basis of the Law which regulate guarantees of origin.

The Ministry shall further prescribe the method of calculating and showing the share of all types of energy sources in the sold electricity and method of control for the calculations to the end buyer.

The Government, upon a proposal by the Ministry, shall further prescribe the manner of acquisition, assignment and termination of the status of a power producer from renewable energy sources, content of the guarantee of origin, issuing, transmission and termination of validity of the guarantee of origin, method of maintain the register, method of providing data on the produced electricity measured at the place of transfer into the transmission, distribution and closed distribution system, monitoring, and other issues in accordance with the law.

VII STATUS REGISTER

Contents of the Register

Article 56

The Ministry shall maintain a public and electronic register that contains data on the following:

- 1) producers that hold the status of privileged producer,
- 2) producers that hold the status of temporary privileged producer,
- 3) producers that hold the status of producer from renewable sources, and
- 4) producers for whom the status from items 1), 2) and 3) of this paragraph has ceased to be in effect.

VIII INCENTIVE FUNDS

Article 57

All end buyers of electricity shall pay a reimbursement for incentives for privileged electricity producers, in accordance with this Law, except in cases determined by this Law.

The reimbursement from paragraph 1 of this Article shall not be paid for electricity spent in reversible hydro power plants for the pump operating regime.

When determining the reimbursement for incentives to privileged electricity producers, all costs that the authorised contracting party or guaranteed supplier has borne relating to the incentive measures shall be taken into account.

The Government shall prescribe the method of calculation, payment and allocation of funds for incentives to privileged producers, and the method of calculation, payment, collection and allocation of additional incentive funds, as well as monitoring and reporting regarding incentive funds.

The Government, upon a proposal by the Ministry, at the latest by the end of December of the current year for the next year, shall determine the amount of reimbursement from paragraph 3 of this Article, published in *The Official Gazette of the Republic of Serbia*.

IX PRODUCTION OF ELECTRICITY FROM RENEWABLE SOURCES FOR OWN CONSUMPTION

Prosumer

Article 58

Prosumer is entitled to, independently or through an aggregator:

- 1) produce electricity for their own consumption,
- 2) store electricity for their own needs,
- 3) deliver the excess produced electricity into the electricity transmission, distribution, and/or closed distribution system,
- 4) and other rights and obligations in accordance with this Law and the law governing energy.

Prosumer from paragraph 1 of this Article may not use incentive measures in the form of a market premium and feed-in tariff, nor may they have the right to guarantees of origin.

Installed power of the production facility of a prosumer from paragraph 1 of this Article may not be higher than the installed power of the connection of the end-user.

A residential community may have rights and obligations of a prosumer in accordance with this Law, by connecting a power plant from Article 5, paragraph 1, items 1)-10) of this Law which is owned by a residential community, if it is built on common parts of a residential building.

In the case from paragraph 4 of this Article, the electricity production facility using renewable sources may be connected through a new or separate measurement point as part of an existing connection.

Relation between a prosumer and a supplier

Article 59

A prosumer may conclude a fully supply agreement, and/or electricity purchase agreement with the supplier in accordance with the law governing energy.

A supplier is obliged to offer a full supply agreement with a net measurement or net calculation to the prosumer which is a household or a small buyer, in accordance with criteria and conditions prescribed by the by-law from paragraph 5 of this Article.

A period for settlement of receivables and liabilities between the prosumer and the supplier is a year and ends on 1 April.

A prosumer is not entitled to receivables for the quantity of delivered electricity which exceeds the quantity of received electricity in the period from paragraph 3 of this Article.

Further criteria, conditions and method of calculation from this Article shall be prescribed by the Government upon a proposal by the Ministry.

Right to priority access of a prosumer

Article 60

An operator of a transmission, distribution or closed distribution system shall receive, as a priority, electricity from the prosumer, except in the case when the safety of the system operation is in danger.

An operator of a transmission, distribution or closed distribution system shall install a meter, at the place of the handover of electricity of a prosumer, which would enable a separate measurement of the delivered and received electricity, in accordance with the law governing energy and this Law.

Prosumer's Register and Assessment of Their Production

Article 61

An operator of a transmission, distribution or closed distribution system shall establish a register of prosumers connected to the transmission, distribution or closed distribution system, containing in particular the following information:

1) personal name and residence, i.e. name, legal form and registered office of the prosumer,

2) type of prosumer,

3) type of facility for production of electricity from renewable energy sources,

4) location of the facility for production of electricity from renewable energy sources,

5) the approved power of the facility referred to in item 3 of this paragraph,

6) the approved power of the end customer's facility connection.

An operator of a transmission, distribution or closed distribution system shall, after the end of the third year, assess the generated electricity in the facility of the prosumer, and to submit such data to the Ministry by 1 March of the following year.

The Ministry shall further prescribe the manner of maintaining the Register from paragraph 1 of this Article and the assessment methodology from paragraph 2 of this Article.

X RENEWABLE ENERGY SOURCE COMMUNITIES

Term

Article 62

A Renewable Energy Source Community (hereinafter: Community) is a legal person established according to the principle of open and voluntary participation of its members, in accordance with this Law, which is controlled by its members whose residence or registered office is in the vicinity of the location of the renewable energy power plants which is owned or developed by this legal person.

Community Members

Article 63

A member of a Community may be a natural or legal person, as well as local self-government units and other forms of local self-governance.

A company, and/or entrepreneur may be a member of a Community, under the condition that electricity production from renewable sources does not represent their predominant commercial or professional activity.

A member of a Community shall retain the status of end buyer, with the rights and obligations they have in accordance with this Law, and shall not be subject to unjustified or discriminatory conditions or procedures that would prevent their participation in the Community.

Goals of Establishing a Community

Article 64

The primary goal of establishing a Community is the use of renewable energy sources to meet the energy needs of members of the community in a sustainable manner that covers environmental, economic or social benefits for members, as well as the local community and society.

To achieve the primary goal, a Community shall develop, invest and implement renewable energy source and energy efficiency projects.

Status

Article 65

A Community may acquire the status of temporary privileged producer, and/or the status of privileged producer and status of producer of electricity from renewable sources, and the right to incentive measures from Article 71 of this Law, in accordance with this Law.

Rights and Obligations of a Community

Article 66

A Community shall have the right to:

- 1) produce, consume, store and sell renewable energy,
- 2) access all energy markets, directly or through aggregation, in a non-discriminatory manner, and
- 3) other rights and obligations of a privileged producer in accordance with this Law.

XI DUTIES OF THE TRANSMISSION, DISTRIBUTION OR CLOSED DISTRIBUTION SYSTEM OPERATOR

Transmission System Operator

Article 67

The Transmission System Operator shall maintain an electronic, centralised and publicly available register of all connected power plants that use renewable energy sources.

The transmission system operator shall publicly publish a list of all submitted requests under the procedure of connection, requested approved power of the power plant, phase of connection procedure, date of trial operation and date of permanent connection.

All writs and documents being submitted, and acts issued by transmission system operators in connection procedures shall have the form of an electronic document, i.e. digitalised and signed in accordance with the law regulating electronic documents, electronic identification and trust services.

Distribution System Operator or Closed Distribution System Operator

Article 68

The Distribution System Operator or Closed Distribution System Operator shall maintain an electronic, centralised and publicly available register of all connected power plants that use renewable energy sources.

The Distribution System Operator or Closed Distribution System Operator shall publicly publish a list of all submitted requests under the procedure of connection, requested approved power of the power plant, phase of connection procedure, date of trial operation and date of permanent connection.

The electricity Distribution System Operator or Closed Distribution System Operator shall establish a simplified connection procedure for the power plant of the end buyer producing electricity for their own needs and for a power plant that is part of a demonstration project, with an installed power of 10.8 kW or less, or equivalent power of a connection that is not a three-phase one.

The Distribution System Operator or Closed Distribution System Operator shall adopt and publish on their website a general act on the procedure of simplified connection procedure further regulating the method of submitting a request for simplified connection, conditions for adopting the request, the documentation being submitted, deadlines for action that may not be longer than 30 days as of the submission of a request, deadlines for connection to the system and other issues of relevance for this procedure.

In case the Distribution System Operator or Closed Distribution System Operator fails to decide on a submitted request within the deadline from paragraph 4 of this Article, the request shall be considered to be adopted.

Undertaking Measures to Simplify Connection and Inform the Public

Article 69

The Transmission System Operator, Distribution System Operator or Closed Distribution System Operator shall undertake active measures with the aim of simplifying the connection procedure for power plants producing electricity from renewable sources.

The Transmission System Operator, Distribution System Operator or Closed Distribution System Operator shall inform the public on the measures undertaken from paragraph 1 of this Article in an appropriate manner through their website.

The operator referred to in Paragraphs 1 and 2 of this Article shall publicly announce a connection procedure and apply it uniformly.

XI USE OF RENEWABLE ENERGY SOURCES IN THE FIELD OF THERMAL ENERGY

Availability of Information on the Share of Renewable Energy Sources in Thermal Energy

Article 70

Local self-government units shall ensure that the thermal energy suppliers make available information on the share of renewable energy sources to the end consumers on the website of the thermal energy supplier, along with the bill, at the request of the end consumers or in another suitable manner.

Incentive Measures

Article 71

Energy entities that perform the activity of production, distribution, and supply of consumers with thermal energy in an energy efficient manner in accordance with the law governing energy efficiency, may gain incentive measures if they use highly-efficient co-generation, waste heat or renewable energy sources:

- 1) heat pumps,
- 2) solar energy,
- 3) geothermal energy,
- 4) biodegradable waste energy,
- 5) biomass,
- 6) other renewable energy sources.

The incentives may be gained for thermal energy produced in newly built or reconstructed plants with installed unused equipment.

In addition to the energy entities referred to in paragraph 1 hereof, the incentive measures may be gained by households and the Community.

The local self-government unit is obliged to keep a register of energy entities referred to in paragraph 1 hereof and the households and Communities referred to in paragraph 3 hereof that have gained incentive measures.

The Register referred to in paragraph 4 of this Article shall particularly include the following:

- 1) the business name, seat and registry number of the energy subject,
- 2) energy facilities for the production and distribution of thermal energy,
- 3) the location of the energy facilities,
- 4) the installed power of the energy facility,
- 5) the time envisaged for the use of the energy facility,
- 6) the conditions for the construction and use of the energy facility,
- 7) the type of fuel and technology used to produce thermal energy,
- 8) households and Communities which have acquired incentive measures,
- 9) awarded incentive measures.

A local self-government unit prescribes the incentive measures, conditions and procedure for acquiring the right to the incentive measures and awards the incentive measures.

A local self-government unit awards the incentive measures in a transparent and non-discriminatory manner, while respecting the rules applying to state aid.

In the procedure of awarding the incentive measures, a complaint may be lodged to the competent local self-government unit.

The local self-government unit shall, at the request of the Ministry, and at least once a year, notify the Ministry on data contained in the Register from paragraph 4 of this Article and submit a report on the envisaged, performed and planned incentive measures from paragraph 5 of this Article, and on the achieved effects of such measures.

Connecting an energy entity producing thermal energy from renewable energy sources, highly-efficient co-generation or waste heat to the thermal energy distribution system

Article 72

A local self-government unit shall prescribe the conditions under which a thermal energy distributor shall connect an energy entity producing thermal energy from renewable sources highly-efficient co-generation or waste heat to their distribution network or to offer connecting it and purchasing heat, in cases when:

- 1) meeting the requirements of new users,
- 2) the existing capacities for the production of thermal energy are being replaced,
- 3) expanding the existing capacity for heat production.

A thermal energy distributor may reject the connection of the energy entity referred to in paragraph 1 hereof if:

- 1) the system lacks the required capacity due to the existing supply of thermal energy from renewable sources highly-efficient co-generation or waste heat,
- 2) technical parameters for connection and ensuring reliable and safe supply have not been met,

3) they prove that connecting the energy entity referred to in paragraph 1 hereof would lead to an excessive increase in the price of thermal energy in comparison to the existing thermal energy price to end users.

A local self-government unit shall define the percentage of excessive increase in the price of thermal energy referred to in paragraph 2 Item 3) hereof .

In the case referred to in paragraph 2 hereof, the heat distributor shall inform without delay the energy entity referred to in paragraph 1 hereof and the competent authority of the local self-government unit of the reasons for refusing to connect, as well as conditions to be met and measures to be taken to enable the connection.

The procedure and conditions for connecting an energy entity producing thermal energy from renewable energy sources, highly-efficient co-generation or waste heat to the thermal energy distribution system

Article 73

The local self-government unit shall prescribe the conditions under which an energy entity producing thermal energy from renewable energy sources, highly-efficient co-generation or waste heat must ensure that the thermal energy they deliver corresponds to the requirements for quality, reliability of supply and environmental protection determined by legislation, the prescribed degree of efficiency of the production capacity.

The procedure and conditions for connection of an energy entity producing thermal energy from renewable energy sources, highly-efficient co-generation or waste heat to the existing distribution system shall be determined by the competent local self-government body.

The rights to subsidies

Article 74

A producer of thermal energy from renewable energy sources may be granted the right to use subsidies for the purchase of equipment used for the production of thermal energy from renewable energy sources in accordance with this Law.

At the proposal of the Ministry, the Government shall specify the procedure and conditions for granting subsidies for equipment used for the production of thermal energy from renewable energy sources, the content of applications and evidence of eligibility for subsidies, as well as the degree of usefulness of the equipment to be subsidised depending on the energy source used.

XIII USE OF RENEWABLE ENERGY SOURCES IN TRANSPORT

Share of Renewable Energy Sources in the Final Consumption of Energy in Transport

Article 75

Fuel suppliers shall ensure that part of the renewable energy sources in the final consumption of energy in transport by 2030 is in accordance with the national goal for the use of renewable sources in transport established by the Integrated National Plan for the Climate and Energy, in accordance with the law governing and the provisions of the act of the Government referred to in Article 78, paragraph 1 of this Law.

The determination of the national goal from paragraph 1 of this Article shall take into consideration renewable liquid and gaseous fuels of non-biological origin intended for use in

transport when used as an intermediate product for the production of conventional fuels, and fuels from recycled carbon may also be taken into consideration.

Incentives for the Production of Biofuels

Article 76

Incentives may be awarded to biofuel producers with the aim of achieving the planned share of renewable energy sources in the final energy consumption in transport by 2030.

Incentives for the production of biofuels may only be awarded for plants producing advanced biofuels in case incentives for biofuels are awarded in the form of investment state aid.

Incentive measures may not be awarded for the production of biofuels that are subject to the obligation of the fuel producer to place them on the market, unless such fuels meet the sustainability criteria, and if the entity granting state aid explains to the competent authority for state aid control that their placement on the market only through supplier obligations would result in a considerable increase of costs for consumers.

Funds used as an incentive to achieve the share of renewable energy sources in transport shall be provided in the budget of the Republic of Serbia, to the amount determined for each year by the Budget Law of the Republic of Serbia as part of the budget item for the Ministry in accordance with the limits determined in the fiscal strategy for the current year, with projections for the next two years.

Placement of Biofuels and Biomethane on the Market

Article 77

Biofuels, bioliquids and biomethane placed on the market shall meet the conditions determined by regulations on the quality of biofuels, as well as technical and other regulations related to their sale.

By-Law

Article 78

The Government, upon a proposal by the Ministry, shall further prescribe incentives from Article 76 of this Law and measures for achieving the share of renewable energy sources in the sector of transport, obligations of the fuel supplier regarding the achievement of the share of renewable energy sources in the sector of transport, method and criteria for granting incentives, the manner of fulfilling that obligation, the manner of keeping the register of obligors, register of fuel suppliers, method of placing biofuels and biomethane on the market as well as electricity from renewable energy sources for motor vehicles, reporting on the achievement of the share of renewable energy sources in the transport sector, and other elements regarding the achievement of the share of renewable energy sources in the transport sector.

During the adoption of the acts from paragraph 1 of this Article, the Government:

1) may exempt or determine different obligations for different fuel suppliers or for different fuels, taking into consideration the degree of development and expenses of different fuel production technologies,

2) determine a special obligation for placing advanced biofuels on the market for fuel suppliers,

3) make it possible for fuel suppliers delivering electricity, and/or renewable liquid and gaseous fuels of non-biological origin to the market for transport purposes, to be exempt from

the obligation of placing the share of advanced biofuels on the market as per item 2 of this paragraph.

The Ministry shall keep a register of taxpayers referred to in paragraph 1 of this Law, which shall contain in particular the following information:

- 1) registration number, name, identification number, tax identification number, registered office and activity with the activity code of the system obligor,
- 2) on the obligatory share of energy from renewable sources on the market of system obligors for the current calendar year,
- 3) on the actual share of biofuels of energy from renewable sources on the market of system obligors for the previous calendar year.

XIV CRITERIA FOR SUSTAINABILITY AND SAVINGS FOR GREENHOUSE GAS EMISSIONS FOR BIOFUELS, BIOLIQUIDS, AND FUELS FROM BIOMASS

Sustainability Criteria

Article 79

Biofuels, bioliquids and fuels from biomass placed on the market must comply with the criteria for sustainability and achieve savings in greenhouse gas emissions.

Energy produced from biofuels, bioliquids and fuels from biomass will be:

- 1) taken into consideration for calculating the planned share of energy from renewable sources in the gross final energy consumption and final energy consumption used in all forms of transport,
- 2) the subject of financial incentives with the aim of increasing the use of biofuels, bioliquids and fuels from biomass, and
- 3) calculated in the fulfilment of obligations of fuel suppliers to achieve the share of renewable energy sources which are placed on the market in transport.

As an exception to paragraphs 1 and 2 of this Article, biofuels, bioliquids and fuels from biomass produced from waste and residue, other than from residue and waste from agriculture, fisheries, forestry and aquaculture, need not comply with the sustainability criteria, but only achieve greenhouse gas emission savings.

Fuel from biomass, if used in the production of electricity, and/or production of heating and cooling energy, shall comply with the criteria for sustainability and savings of greenhouse gas emissions in the following cases:

- 1) if the thermal power of the plant using solid biomass is equal to or higher than 20 MW,
- 2) if the thermal power of the unit using biogas is equal to or higher than 2 MW.

In case the electricity and/or thermal energy is being produced from solid municipal waste, there is no obligation of achieving savings in greenhouse gas emissions.

The criteria of sustainability and greenhouse gas emissions savings shall apply to biofuels, bioliquids and fuels from biomass, regardless of the geographic origin of the biomass.

Agricultural and Forest Biomass

Article 80

Sustainability criteria shall be prescribed separately for biofuels, bioliquids and fuels from biomass obtained from agricultural biomass, and separately for biofuels, bioliquids and fuels from biomass obtained from forest biomass.

Verification of Criteria

Article 81

Biofuels, bioliquids and fuels from biomass shall be subject to the verification of criteria for sustainability and greenhouse gas emissions savings (hereinafter: verification).

The verification shall determine that the biofuels, bioliquids and fuels from biomass comply with the criteria for sustainability and achieve savings in greenhouse gas emissions.

By-Law and Register of Verification Subjects and Verifiers

Article 82

The Government shall further prescribe the criteria for sustainability, greenhouse gas emissions savings and method of their calculation, method of verification and subjects of verification, reporting on compliance with the criteria for sustainability and greenhouse gas emissions savings, independent audit of information submitted under the reporting procedure, manner of keeping the register of subjects of verification and verifiers, and other elements related to the criteria of sustainability and greenhouse gas emissions savings.

The Ministry keeps a register of verification subjects and verifiers, which contains in particular:

- 1) registration number, name, identification number, tax identification number, registered office and activity with the activity code of the verification subject,
- 2) data on the verifier,
- 3) reports submitted in the verification procedure
- 4) and other data.

XV INNOVATIVE TECHNOLOGIES

Use of Innovative Technologies and New Renewable Energy Sources

Article 83

Incentives may be given to technologies under early development using new renewable sources, such as green hydrogen and other fuels, with the aim of increasing the use of energy from renewable sources.

Renewable hydrogen may be used in the field of thermal energy, transport and natural gas in accordance with the provisions of this Law and the law governing energy.

The Government, upon a proposal by the Ministry, shall determine incentive measures for the production, transport, storage and use of renewable hydrogen used in accordance with paragraph 2 of this Article.

XVI MEASURES AND ACTIVITIES FOR ACHIEVING PUBLIC INTEREST

Measures and Activities

Article 84

Aiming to achieve the public interest as per paragraph 2 of this Article, the Republic of Serbia, Autonomous Province and local self-government units, through strategic and other documents, programmes and plans shall envisage measures and activities prepared to meet the goals set out by this Law.

When planning the measures and activities from paragraph 1 of this Article, the Republic of Serbia, Autonomous Province and local self-government units shall pay particular attention that the planned measures are contributing to the energy security of the Republic of Serbia, sustainable and uniform regional and local economic development, ensuring and improving the energy needs of the population, and preserving and protecting the environment.

Benefits for Investors Introducing Energy from Renewable Sources when Building Facilities

Article 85

A local self-government unit may determine, by decision, the criteria, amount and procedure for reducing contributions for the regulation of construction land, special decreases in the amount of contributions for missing infrastructure and other benefits for investors that, during the construction of a new building, as well as during the reconstruction, adaptation, recovery or energy recovery of an existing building, envisage alternative provision of electrical or thermal energy from the domain of renewable energy sources.

A local self-government unit may make a decision whereby they envisage grant financing for activities to improve the properties of a building from Article 1 of this Law, in which case the local self-government unit shall provide the funds in the budget for participation in projects for financing such activities and shall make a decision prescribing the procedure for awarding the funds, the percentage of participation and conditions under which the local self-government unit shall participate in financing such activities.

Strategic Partner

Article 86

A strategic partner may be an economic operator which will be selected in accordance with this Law to build a power plant which would use renewable energy sources which will be used for production, or to build a power plant which would use renewable energy sources, and shall undertake the following actions:

- 1) prepare and/or partially or fully finance relevant studies if they are required for the construction of a power plant which uses renewable energy sources, and
- 2) prepare and/or partially or fully finance relevant technical dossier required for the construction of a power plant which uses renewable energy sources, and
- 3) construct a power plant which uses renewable sources, if it:
 - (1) partially or fully finances a project of the construction of a power plant which uses renewable energy sources, or
 - (2) mediates in ensuring funds or ensures funds from international financial institutions, banks and other sources of funding for the execution of the project.

In addition to conditions from paragraph 1, the strategic partner must also implement one or more of the following actions:

- 1) ensure innovative technologies and/or equipment and/or raw materials for the power plant which uses renewable energy sources, and/or

- 2) provide management and/or maintenance services regarding a power plant which uses renewable energy sources, and/or
- 3) develop and/or manage a power plant which uses renewable energy sources, and/or
- 4) also undertake other actions aimed at achieving the goals from this Law, which will be specified in a Government decision on the implementation of the procedure.

In the case of co-financing, the strategic partner referred to in paragraph 1 of this Article may not independently use or operate the power plant, but may do so in proportion to the participation in financing the construction of a power plant using renewable energy sources, which is regulated by a special agreement based on the consent of the Government.

The percentage of financing share of the project from paragraph 1, item 3), subitem (2) of this Article, shall be determined by a special act by the Government.

A strategic partner shall also be considered to be a consortium, as well as any related person and/or persons of the strategic partner, and/or any company or companies that the strategic partner and/or their related person or persons establish for the purposes of implementation of the project that is the subject matter of the public tender in accordance with the provisions regulating companies.

Decision on the implementation of the Procedure of Selection

Article 87

Upon a proposal of the minister in charge of energy matters, the Government may decide to implement the strategic partner selection process for the execution of a construction project with or without management and maintenance of a power plant which uses renewable energy sources, in any of the following cases:

- 1) if the application of the system of incentives for the production of electricity determined by this Law has not provided sufficient new production capacities for the production of electricity from renewable sources required to achieve the planned growth dynamics of production of electricity from renewable energy sources to achieve the national goals defined by the Integrated National Plan for the Climate and Energy, or
- 2) when new production capacities for the production of electricity from renewable sources of energy are required to achieve the goals of energy transition and compliance with international obligations.

The decision from paragraph 1 of this Article shall in particular contain the following:

- 1) content and description of the terms of reference and needs,
 - 2) designing a person who will be the owner and investor and/or who will exercise the investor's right to construct a power plant from paragraph 1 of this Article,
 - 3) the basic characteristics of the power plant, such as capacity and/or expected annual production, etc. and/or location where the facility will be built and method of use of the location;
 - 4) type of renewable energy source,
 - 5) method of production and conditions for the handover of electricity,
 - 6) conditions regarding environmental protection,
 - 7) conditions related to the protection of cultural monuments if there are any on the location where the facility will be built,
 - 8) conditions related to energy efficiency,
 - 9) conditions related to the termination of operation of the facility,
- Deadline for project implementation and period an agreement may be concluded for,

- 10) system of evaluation of bids,
- 11) appointment of the Working Group for the implementation of the strategic partner selection process,
- 12) other elements of relevance for the implementation of the procedure for the selection of a strategic partner.

The bid evaluation system from paragraph 2, item 10) of this Article shall in particular entail direct benefit that the state and/or person from paragraph 2, item 2) of this Article derives from the execution of the project, the financial fitness and technical equipment of the supplier for the selection of a strategic partner and other criteria ensuring security and sustainability of projects in accordance with goals prescribed in Article 3 of this Law.

During the selection and implementation of the public call for selection of a strategic partner and conclusion of an agreement on the execution of the project with the strategic partner, regulations governing public procurement procedure and regulations governing public private partnership do not apply.

Procedure and Method of Selection of a Strategic Partner

Article 88

The selection of strategic partner shall be performed by the Government, based on a proposal by the Government working group formed based on a Government decision on forming a working group for the selection of a strategic partner for project implementation, with the task of implementing the procedure for the selection of a strategic partner and implementing the negotiation procedure with the selected strategic partner with the aim of concluding the agreement.

The procedure for the selection of the strategic partner shall cover the following:

- 1) drafting a public call for the submission of applications (hereinafter: Public Call);
- 2) publishing the Public Call;
- 3) reception, opening and evaluation of applications;
- 4) submission of a proposal to the Government on the selection of the strategic partner by the working group;
- 5) adoption of the decision on the selection of the strategic partner by the Government;
- 6) implementation of negotiations with the selected strategic partner.

Public Call for the Selection of a Strategic Partner

Article 89

The content and elements of the public call, implementation of the public call, method of submitting bids, deadline for the submission of bids, criteria defining the right to participate, criteria representing the basis for the evaluation of bids, reception, opening and evaluation of bids, method of selection of strategic partner, shall be determined by a separate by-law.

The by-law from paragraph 1 of this Article shall be adopted in regards to the decision from Article 87 for a specific project.

The public call shall be implemented based on the principle of public bidding, based on the collected bids, principle of transparency and prohibition of discrimination, the principles of environmental protection and principle of efficiency.

The public call will be published in *The Official Gazette of the Republic of Serbia*, as well as on the website of the Ministry in the Serbian language and the foreign language customarily in use in international trade.

The selection of strategic partner and implementation of the procedure shall be implemented by a Government Working Group from Article 88, paragraph 1 of this Law through the procedure of public solicitation of bids.

The Working Group shall maintain the confidentiality and secrecy of technical, economic and other data from the bid.

The Working Group may request the professional assistance of relevant persons with the aim of providing professional assistance, drafting certain analyses and studies with the aim of drafting proposals for the selection of a strategic partner.

Pursuant to the Decision from Article 87 and the by-law from paragraph 1 of this Article, the Working Group shall draft a public call, receive and review submitted documents, run the bid evaluation procedure, produce draft agreements and submit to the Government for adoption draft decisions on the selection of a strategic partner with a proposal.

Upon the adoption of the Government decision on the selection of the strategic partner the Government working group from Article 88, paragraph 1 of this Law shall conduct negotiations with the selected strategic partner with the aim of concluding an agreement.

Upon completing negotiations with the selected strategic partner, the Government Working Group shall submit a report to the Government with a proposal that the agreement with the selected strategic partner be concluded or that the Government adopt a different decision on the further procedure, depending on the results of the negotiations.

If after the implemented negotiations and based on the report of the Working Group the Government decides to conclude an agreement with the selected strategic partner, the person from Article 87, paragraph 2, item 2 of this Law, as the investor, i.e. the person exercising the rights of the investor, shall conclude an agreement on project implementation with the selected strategic partner.

If the Republic of Serbia is to be the financier of the works on the power plant within the meaning of the Law governing spatial planning and construction of facilities, in addition to persons from Article 87, paragraph 2, item 2) of this Law and the strategic partner, an agreement on the execution of the project shall also be signed by the Government in the name of Serbia.

The agreement on the execution of the project shall contain in particular: value of services and works which will be executed by a strategic partner, and/or goods which will be delivered, mutual rights and obligations of contracting parties, the method of payment, timetable of the execution of works and payment, consequences of non-observance of the established timetable, and other issues of importance for the execution of the project.

Project of importance

Article 90

Upon a proposal of the minister in charge of energy matters, the Government may determine that the power plant from Article 87, paragraph 1 of this Law shall be a project of importance for the Republic of Serbia within the meaning of the law governing the construction of facilities, except for power plants, which cover a protected area or an ecological network area, according to special laws.

Identifying the public interest

Article 91

The Government may, by a special decision, determine the public interest for expropriation, administrative transfer and/or incomplete expropriation of immovables for the purpose of constructing a power plant from Article 87, paragraph 1 of this Law, as well as

facilities for its purposes and connections to the electric power system, in accordance with applicable planning documents.

XVII IMPLEMENTATION OF AUCTION PROCEDURES AND PROCEDURES RELATING TO THE STATUS OF THE TEMPORARY PRIVILEGED PRODUCER, THE STATUS OF THE PRIVILEGED PRODUCER AND THE STATUS OF THE PRODUCER FROM RENEWABLE ENERGY SOURCES

Actions of the Ministry

Article 92

During the implementation of the auction procedures and procedures concerning the status of Temporary Privileged Producer, status of Privileged Producer and status of Producer from Renewable Energy Sources, the competent body shall solely conduct a check of compliance with the formal conditions for action and shall not engage in assessments of the technical documentation, nor test the authenticity of documents obtained under such procedures.

In accordance with paragraph 1 of this Article, the Ministry shall solely test compliance with the following formal conditions:

- 1) competence to act upon the request;
- 2) whether the party submitting the request is a person that, in accordance with this Law, may submit a request,
- 3) whether the request contains all the prescribed data,
- 4) whether all of the documentation prescribed by this Law and by-laws adopted based on this Law is submitted with the request,
- 5) whether evidence of the payment of the prescribed fee has been supplied with the request,
- 6) whether the conditions prescribed by this Law and the by-laws adopted based on it for the adoption of the request have been met.

Data from official records required for the implementation of procedures from paragraph 1 of this Article shall be secured *ex officio* by the competent body through the service bus of public administration bodies in accordance with regulations on e-Government, without payment of fees.

The data obtained as per paragraph 3 of this Article shall be considered reliable and have the same power of evidence as certified extracts from such records.

State administration bodies, special organisations and public authorities shall submit to the Ministry all data relevant for the implementation of the procedure referred to in paragraph 1 hereof maintained in official records, within three days of the date of submission of the request.

Procedures under paragraph 1 of this Article shall be implemented in the procedure of direct decision-making as per the law regulating the general administrative procedure.

Acting upon Request

Article 93

Based on a request for issuing, and/or amendments to the administrative act, the Ministry shall make a decision within the deadlines prescribed by this Law in the form of an electronic document.

If the Ministry deems that formal conditions from Article 92, paragraph 2 of this Law are not met, it shall reject the request in a decision, which will list all the deficiencies and/or reasons for such a rejection, and, after they are eliminated, it will be able to act upon the request.

If an applicant, within 30 days from the date of publication of the decision from paragraph 2 of this Article, submits a new request and acts upon the decision from paragraph 2 of this Article, the rejected request from paragraph 2 of this Article shall be deemed to have been sound from the start.

If the party submitting the application submits a new request within 30 days of the date of publication of the decision from paragraph 2 of this Article, referencing the number of decision rejecting an earlier request and eliminating all identified deficiencies, they shall not re-submit the documents that did not have deficiencies and shall pay half of the prescribed amount for running the administrative procedure.

Delivery Method

Article 94

Motions and documents shall be submitted electronically, in accordance with the law regulating e-Government.

As an exception to paragraph 1 of this Article, complaints and other legal remedies, evidence supplied with them, and documents and writs containing secret data and those labelled with the degree of secrecy in accordance with regulations on data secrecy, shall be delivered by the party in the form of paper documents.

The Ministry shall further regulate the method of exchange of motions and documents from paragraph 1 of this Article.

Form of Documents Being Submitted

Article 95

Documents submitted electronically in accordance with Article 97 of this Law shall be delivered in the form of an electronic document made in accordance with the law regulating electronic documents.

As an exception to paragraph 1 of this Article, if the payment of the fee was not performed electronically, evidence of payment of fees may be delivered in electronic format not signed with a qualified electronic signature.

Delivery of Decisions

Article 96

The Ministry decision shall be submitted to the party submitting the request in the form of an electronic document, through the single electronic mailbox, in accordance with the law regulating e-Government, if such a delivery is conducted through the e-Government portal.

As an exception to paragraph 1 of this Article, for a person that does not have a single electronic mailbox, the decision shall be submitted in the form of a printed copy of the electronic document, certified in accordance with the law regulating e-commerce, by registered mail through the postal operator.

On the date of expediting the decision as per paragraphs 1 and 2 of this Article, the Ministry shall also publish the decision on its website.

If the delivery by registered mail from paragraph 2 of this Article could not be completed because at the time of delivery the party was unavailable at the designated address, the delivery person shall make a note of this and leave a notification to the party in the location where the writ was to be delivered, stating the personal name of the recipient, data identifying the writ, and the date when the notification was left, with an invitation to the party to collect the mail within 15 days of the date of attempted delivery at the precisely designated address of the delivery person, and/or postal operator.

The notification to the party from paragraph 4 of this Article shall also contain information on the date of publishing the decision on the Ministry website, and a legal remedy for the party that in case of failure to collect the mail within the given deadline the decisions shall be considered delivered with the expiry of the deadline of 30 days as of publication on the Ministry website.

In the case from paragraph 4 of this Article, if the party fails to collect the mail within the given deadline, the delivery person shall return it with a note on the reasons for the failed delivery.

Delivery to the party shall be considered completed:

- 1) on the date of receiving the decision in the manner prescribed by paragraph 1 or paragraph 2 of this Article;
- 2) upon the expiry of the 30 day deadline as of the date of publication of the decision on the Ministry website, if delivery is not completed in accordance with the provisions of paragraphs 1, 2 and 4 of this Article.

If the address of the temporary or permanent residence, and/or seat of the party is unknown, delivery to this party shall be considered completed on the date of expiry of the deadline of 30 days as of the date of publication of the decision on the Ministry website.

The Ministry shall, upon request by the party and in the premises of the Ministry, issue to the given party a copy of the decision without delay, however this delivery shall not have any effect on the calculation of deadlines regarding delivery.

Delivery Confirmation

Article 97

When the decision is being delivered electronically, proper delivery shall be evidence with an electronic certificate on the reception of the document (delivery slip).

Electronic Bulletin Board of the Ministry

Article 98

The Ministry shall establish and maintain a bulletin board on its website, also serving for public information purposes, and/or the publication of decisions in accordance with Article 96 of this Law, and other acts adopted by the Ministry.

Due Application of Regulations

Article 99

The law regulating the general administrative procedure shall apply to issues related to the auction procedure and procedures related to the status of temporary privileged producer, the status of privileged producer and the status of producers from renewable energy sources, which are not specifically regulated by this Law.

XVIII MECHANISMS OF COOPERATION

Article 100

The Republic of Serbia may agree on mechanisms of cooperation with other states, to achieve a share of energy from renewable sources in the gross final consumption of energy, in accordance with confirmed international agreements.

Mechanisms of cooperation are forms of cooperation between states that cover the following: joint projects, statistical transfers from the energy balances of states, joint support schemes and other forms of cooperation that provide for a reduction in the costs of states for achieving their total share of renewable energy sources in the gross final consumption of energy.

The mechanisms of cooperation from paragraph 1 of this Article may be agreed for one or several years.

The Ministry shall deliver a notification to the competent body in accordance with international agreements in particular containing information on the amounts and prices of energy that are the subject of cooperation, at the latest within three months after the end of the year wherein the mechanisms of cooperation were implemented.

XIX SUPERVISION

Article 101

Monitoring over the implementation of the provisions of this Law and regulations adopted based on this Law shall be conducted by the Ministry unless prescribed otherwise by this Law.

Energy subjects, the Autonomous Province, local self-government units and other legal persons and entrepreneurs whose rights and obligations are prescribed by this Law, shall submit all required data for performing the tasks from the scope of work of the Ministry upon request by the Ministry.

Inspection

Article 102

Inspection shall be performed by the Ministry through the energy inspector (hereinafter: inspector) within the scope established by this Law.

The Autonomous Province shall be entrusted with inspection supervision from paragraph 1 of this Article within the territory of the Autonomous Province.

Supervision over the implementation of the provisions of this Law and regulations adopted based on this Law, related to the quality of biofuels placed on the market, shall be performed by the ministry competent for trade affairs through market inspectors in accordance with the law regulating trade.

Supervision over the implementation of the provisions of this Law and other regulations related to the requirements to be met by power plants regarding the issuing of integrated permits, waste management permits and the use of waste and other requirements prescribed by the law and in accordance with the regulations in the field of environmental protection shall be performed by the ministry competent for environmental protection affairs through the

environmental protection inspector in accordance with the regulations regulating environmental protection.

Supervision over the implementation of the provisions of this Law and other regulations related to the requirements to be met by hydro power plants regarding the issuing of water permits shall be performed by the ministry competent for water management affairs through water inspectors in accordance with the regulations on the issuing of water permits.

The provisions of laws and other regulations on inspection shall apply to the content, type, form, procedure and implementation of inspection supervision, competences and obligations of participants in inspection supervision, and other matters relevant for inspection supervision not regulated by this Law.

Rights and Duties of Inspectors

Article 103

In conducting inspection supervision, the inspector shall have the right and duty to check the following:

- 1) whether energy subject utilise incentive measures in accordance with the regulations under which they have acquired the right to the use of incentive measures,
- 2) whether the temporary privileged producer, privileged producer and producer from renewable energy sources comply with the obligations prescribed by this Law and regulations adopted based on this Law,
- 3) whether the temporary privileged producer has not changed the installed power of the power plant for which the status of temporary privileged producer has been obtained for the duration of the status of temporary privileged producer,
- 4) whether the temporary privileged producer has a concluded premium agreement,
- 5) whether the transmission, distribution or closed distribution system receives, as a priority, electricity generated from renewable energy sources which are within the incentive system, except in cases when system operation is endangered, in accordance with Article 10 of this Law,
- 6) whether the privileged producer of electricity holds a licence for performing the energy activity of producing electricity in accordance with the law regulating energy, covering the power plant for which they have acquire the status of temporary privileged producer,
- 7) whether the power plant for which the producer has acquired the status of temporary privileged producer has been permanently connected to the transmission, distribution, and/or closed distribution system of electricity for the approved power corresponding to the installed power for which the power plant has acquired the status of temporary privileged producer,
- 8) whether all measurements prescribed by this Law have been secured for the power plant for which the producer has acquired the status of temporary privileged producer,
- 9) whether the use permit for the power plant for which the producer has acquired the status of temporary privileged producer, and/or the report of the technical committee for the review of the facility has stated as an integral part of the use permit that unused equipment has been installed in the newly built or reconstructed power plant,
- 10) whether the privileged producer of electricity has a concluded market premium agreement, and/or concluded feed-in tariff agreement,

11) whether the producer from renewable energy sources holds a licence for performing the activity in accordance with the law regulating the field of energy,

12) whether the producer from renewable energy sources has secured separate measurement, distinct from measurement in other technological processes, measuring the received and transmitted electrical, and/or thermal energy into the system,

13) whether the transmission system operator maintains an electronic, centralised and publicly available register of all connected power plants that use renewable energy sources,

14) whether the transmission system operator publicly publishes a list of all submitted requests under the procedure of connection, requested approved power of the power plant, data on the status of the request, phase of connection procedure, phase of commissioning of the power plant, date of trial operation and date of permanent connection,

15) whether the guaranteed supplier is concluding power purchase agreements in accordance with this Law and maintains a register of power purchase agreements and publishes them on their website,

16) whether the local self-government unit maintains a register of energy subjects and whether it has adopted an act prescribing incentive measures, conditions and procedures for acquiring the right to incentive measures for these subjects,

17) whether the local self-government unit has adopted an act prescribing the conditions under which an independent producer must ensure that the thermal energy they deliver corresponds to the requirements for quality, reliability of supply and the prescribed degree of efficiency of the production capacity,

18) whether the thermal energy distributor, in case they are rejecting the connection of an independent producer, has stated the reasons for rejecting the connection in the act on rejection.

In conducting inspection supervision, the inspector shall have the right and duty to perform other tasks determined by law or regulations adopted based on this Law.

Inspector's prerogatives

Article 104

In conducting an inspection, the inspector shall be authorised to:

1) order the elimination of illegalities determined within the deadline they establish,
2) adopt a decision and issue an administrative measure if the supervised subject fails to eliminate the illegality within the given deadline, except when due to the need for undertaking urgent measures the decision is adopted without delay,

3) deliver an act determining the facts from paragraph 1 of Article 28 and paragraph 1 of Article 42 of this Law to the Ministry for the purpose of adopting a decision on revoking the status of temporary privileged producer,

4) deliver an act determining the facts from paragraph 1 of Article 31 and paragraph 1 of Article 44 of this Law to the Ministry for the purpose of adopting a decision on revoking the status of privileged producer,

5) deliver an act determining the facts from paragraph 1 of Article 51 of this Law to the Ministry for the purpose of adopting a decision on revoking the status of producer from renewable energy sources,

6) file criminal charges before the competent judiciary body, a report of a commercial violation or request for initiating misdemeanour proceedings, and/or undertake other actions and measures they are authorised for by law or another regulation,

7) order a fulfilment of prescribed obligations in a specified deadline and temporarily prohibit operation if the order is not fulfilled in the allowed deadline.

Complaint against the Inspector's Decision

Article 105

An appeal against a decision of Inspector may be submitted to the Minister within 15 days from the date the decision was received.

The complaint shall delay the execution of the decision, except in cases where undertaking urgent measures is required by the prescribed provisions of the law regulating inspection supervision.

In case the first-degree decision of the inspector has already been declared null and void once, the second degree body may not void it again and refer the case to the inspection for a renewed procedure, but shall resolve the administrative issue itself.

XX PUNITIVE PROVISIONS

Commercial Violations

Article 106

A fine of RSD 1,500,000 to 3,000,000 shall be levied for a commercial violation against a transmission, distribution or closed distribution system operator - legal person, if they do not receive electricity produced from renewable sources as a priority, except when the safety of the system operation is in danger (Article 11, paragraph 1).

A fine of RSD 1,500,000 to 3,000,000 shall be levied for a commercial violation against a privileged producer - legal person, if renewable sources of energy are not used in the production process (Article 30, paragraph 1, item 1, and Article 43, paragraph 1, item 1).

A fine of RSD 1,500,000 to 3,000,000 shall be levied for a commercial violation against a guaranteed supplier - legal person if they do not take on the balancing responsibility in accordance with this law and regulations adopted based on it (Article 38, paragraph 1, item 4).

A fine of RSD 1,500,000 to 3,000,000 shall be levied for a commercial misdemeanour against a fuel supplier – entrepreneur if they fail to ensure that the share of renewable energy sources in the final consumption of energy in transport by 2030 is in line with the national goal of using renewable sources from the Integrated National Plan for Climate and Energy in accordance with the provisions of the act of the Government referred to in Article 78, paragraph 1 of this Law (Article 75, paragraph 1 and Article 78, paragraph 1).

For the commercial violation from paragraphs 1 to 3 of this Article a fine will also be levied against the person responsible within the legal person with a fine of RSD 100,000 to 200,000.

Misdemeanours

Article 107

A fine of RSD 500,000 to 2,000,000 will be imposed on a legal entity for a misdemeanour if it starts the construction of a hydroelectric power plant in a protected area without a decision of the Government (Article 5, paragraph 3).

A transmission, distribution system operator and/or closed distribution system operator - legal person shall be fined RSD 500,000 - 2,000,000 for a misdemeanour, if:

1) they do not maintain an electronic and publicly available register of all connected power plants that use renewable energy sources (Article 67, paragraph 1 and Article 68, paragraph 1),

2) they do not publish a list of all submitted requests within the connection process, the requested and installed power of the plant, connection procedure phase, date of trial operation and date of permanent connection (Article 67, paragraph 2, and Article 68, paragraph 2).

A fine of RSD 500,000 to 2,000,000 shall be levied against a guaranteed supplier – legal person for a misdemeanour if they:

3) Fail to conclude a feed-in tariff agreement in accordance with this Law (Article 38, paragraph 1, item 1),

4) Fail to undertake the rights and obligations of the previous guaranteed supplier within the deadline, in the way and under the conditions established by the public tender in accordance with the law regulating energy (Article 38, paragraph 1, item 2),

5) Fail to maintain a register of power purchase agreements and publish them on its website (Article 38, paragraph 1, item 3),

6) Fail to submit to the Ministry the data necessary to determine the reimbursement for incentives to privileged electricity producers in accordance with the by-law (Article 38, paragraph 1, item 5);

7) Fail to maintain a special account for transactions related to incentive measures in accordance with this Law (Article 38, paragraph 1, item 6).

A fine of RSD 500,000 to 2,000,000 shall be levied against a distribution system operator or closed distribution system operator – a legal entity for a misdemeanour if they fail to deliver to the transmission system operator data on the produced electricity of producers from renewable energy sources connected to the distribution system or closed distribution system, for which a guarantee of origin is being issued (Article 50, paragraph 2).

A fine of RSD 500,000 to 2,000,000 shall be levied against a distribution system operator or closed distribution system operator - legal person for a misdemeanour if they fail to establish a simplified connection procedure for the power plant of the end buyer producing electricity for their own needs and for a power plant that is part of a demonstration project, with an installed power of 10.8 kW or less, or equivalent power of a connection that is not a three-phase one (Article 68, paragraph 3).

The responsible person from the local self-government unit shall be fined RSD 50,000 - 150,000 if:

1) They fail to prescribe the conditions under which a thermal energy distributor shall connect an energy subject producing thermal energy from renewable sources to their distribution network (Article 72, paragraph 1),

2) They fail to prescribe the conditions under which an independent producer must ensure that the thermal they deliver corresponds to the requirements for quality, reliability of supply and environmental protection determined by legislation, the prescribed degree of efficiency of the production capacity (Article 73, paragraph 1).

An entrepreneur will be fined from RSD 10,000 to 500,000 if he starts the construction of a hydroelectric power plant in a protected area without a decision of the Government (Article 5, paragraph 3).

A fine of RSD 10,000 to 150,000 shall be levied for a commercial misdemeanour against a fuel supplier – entrepreneur if they fail to ensure that the share of renewable energy sources in the final consumption of energy in transport by 2030 is in line with the national goal of using renewable sources from the Integrated National Plan for Climate and Energy in accordance with the provisions of the act of the Government referred to in Article 78, paragraph 1 of this Law (Article 75, paragraph 1 and Article 78, paragraph 1).

A fine of RSD 5,000 to 150,000 will be imposed on a natural person if he starts the construction of a hydroelectric power plant in a protected area without a decision of the Government (Article 5, paragraph 3).

XXI TRANSITIONAL AND FINAL PROVISIONS

Article 108

Temporary Privileged Producers that have acquired such status on the basis of applications submitted before the entry into force of this Law, shall acquire the status of a privileged producer and incentive measures under the conditions and in the manner prescribed in accordance with the Energy Law (*The Official Gazette of the Republic of Serbia*, Nos. 145/2014 and 95/2018 – state law) and regulations adopted on the basis thereof.

As a derogation from paragraph 1 hereof, a Temporary Privileged Producers that has acquired such status for a hydroelectric power plant considered to be a hydroelectric power plant in a protected area in terms of this Law may acquire the Privileged Producer status if, in addition to the conditions stipulated in paragraph 1 hereof, it meets the nature protection conditions determined by the Decision on nature protection conditions issued by the Institute for Nature Protection of Serbia and that such conditions have been verified in the report by a competent environmental protection inspector.

Temporary Privileged Producers and/or Privileged Producers that have acquired such status on the basis of an application submitted before the entry into force of this Law, and after 31st December 2019, are entitled to the following incentive measures:

1) incentive period lasting 12 years, starting from the day of the first reading of electricity in the power plant, i.e. part of the power plant, after the day of acquiring the status of privileged electricity producer, unless the duration of the incentive period is otherwise determined by the power purchase agreement;

2) incentive purchase price at which the privileged and temporary privileged producers sell to the guaranteed supplier the appropriate amount of produced electricity during or before the incentive period,

3) taking over the balance responsibility for the places of handover of electricity by the privileged producer of electricity during the incentive period, by the guaranteed supplier;

4) taking over the costs of balancing pf the privileged electricity producer during the incentive period by the guaranteed supplier;

5) free access to the transmission or distribution system of electricity.

Incentive purchase price referred to in paragraph 3, item 2) of this Article is determined depending on the type of power plant that corresponds to the adjusted incentive purchase price published by the Guaranteed Supplier on its website and which applies from 1st March 2020 to the concluded power purchase agreements.

The status of a Temporary Privileged Producer acquired on the basis of an application submitted before the entry into force of this Law shall continue to be valid and shall be extended in accordance with the regulations under which that status was acquired.

As a derogation from paragraph 5 of this Article, in case the regulations based on which the right of temporary privileged producer was acquired prevent this status from being extended any more, the same may be extended for a maximum of three years on the basis of this Law in the cases that:

1) the temporary privileged producer is prevented from acquiring the privileged producer status within the time limit due to the COVID-19 pandemic caused by the SARS-CoV-2 virus, or

2) a new technology of electric power production as compared to the technological solution in the construction permit on the basis of which the temporary privileged producer status has been acquired is introduced.

In the case referred to in paragraph 6 hereof, the request for an extension of the temporary privileged producer status shall be submitted no later than 30 days before its expiration.

In the case that the temporary privileged producer status is extended on the basis of this Law in accordance with paragraph 6 hereof, the incentive period lasts 8 years.

The stipulation from Article 5 paragraph 3 of this Law shall not apply to Temporary Privileged Producers referred to in paragraph 1 hereof.

Article 109

Privileged Producers that have acquired such status on the basis of an application submitted before the entry into force of this Law, may change the approved power of the electric power plant for which they have acquired the privileged producer status if the power plant with the newly approved power still meets the conditions for acquiring the privileged producer status in accordance with the Energy Law (*The Official Gazette of the Republic of Serbia*, Nos. 145/2014 and 95/2018 – state law) and regulations adopted on the basis thereof.

If it changes the approved power of the electric power plant referred to in paragraph 1 hereof, a Privileged Producer is obliged to submit a request for amending the decision on acquiring the privileged producer status.

In the case that the decision referred to in paragraph 2 hereof is amended, the Privileged Producer and the Guaranteed Supplier shall be obligated to amend the electricity purchase agreement in accordance with the amended approved power and to adjust the incentive purchase price in accordance with the regulation based on which the incentive purchase price in the electricity purchase agreement has been determined.

The Privileged Producers referred to in paragraph 1 hereof that have acquired such status for solar and wind power plants cannot amend the approved power of the electric power plant.

Article 110

The Privileged Producers that have acquired such status on the basis of an application submitted before the entry into force of this Law are obligated to fulfil the obligations stipulated by the Energy Law (*The Official Gazette of the Republic of Serbia*, Nos. 145/2014 and 95/2018 – state law) and regulations adopted on the basis thereof, as well as the following obligations determined by this Law:

1) that the electric power plant does not exceed the value of the approved power determined by the competent system operator in the course of its operation,

- 2) uses reactive energy in accordance with the law governing the field of energy, the rules of operation of the transmission, distribution and/or closed distribution system,
- 3) comply with all environmental regulations,
- 4) comply with all regulations in the field of water management in the case of a hydro power plant.

Article 111

The Agency shall publish on its website the maximum market premium, i.e. the maximum purchase price and the maximum feed-in tariff for the needs of conducting auctions no later than one month from the day of adoption of the Methodology referred to in Article 15 paragraph 2 and Article 34 paragraph 2 of this Law.

The Ministry may announce a public invitation for the first auction 30 days from the day of announcing the maximum market premium, i.e. the maximum purchase price and the maximum feed-in tariff referred to in paragraph 1 hereof.

Article 112

The Agency shall issue the first report referred to in Article 10 paragraph 6 within one year from the day of the establishment of the organised intraday market.

Article 113

The adopters of planning documents in the sense of the law which regulates planning are obliged to harmonize the planning documents within their competence with the provision from Article 5, paragraphs 3 to 5 of this Law within 12 months from the day this Law enters into force.

Article 114

Duties of an energy inspector from Articles 103 and 104 of this Law shall be carried out by an electrical energy inspector, until conditions are provided for activities of an energy inspector.

Article 115

The provisions of this Law related to the electronic procedure shall apply as of the date of the development of a software solution that supports this system.

Article 116

By-laws from Article 14 paragraph 7, Article 17 paragraph 8, Article 18 paragraph 4, Article 19 paragraph 4, Article 23 paragraph 7, Article 24 paragraph 6, Article 25 paragraph 2, Article 26 paragraph 9, Article 27 paragraph 6, Article 28 paragraph 6, Article 29 paragraph 4, Article 30 paragraph 7, and Article 31 paragraph 6, may be adopted as a single act.

By-laws from Article 33 paragraph 9, Article 35 paragraph 2, Article 36 paragraph 9, Article 37 paragraph 3, Article 38 paragraph 2, Article 39 paragraph 9, Article 40 paragraph 6, Article 41 paragraph 6, Article 42 paragraph 4, Article 43 paragraph 7, and Article 44 paragraph 6, may be adopted as a single act.

By-laws from paragraphs 1 and 2 of this Article shall be adopted by the Government within 6 months from the date of entry into force of this Law.

Article 117

The Government shall adopt the by-laws from Article 16 paragraph 6 and Article 33 paragraph 5 of this Law within 3 months of entry into force of this Law.

By-laws from Article 10 paragraph 11, Article 54 paragraph 2, Article 55 paragraph 6, Article 57 paragraph 4, Article 59 paragraph 5, Article 78 paragraph 1, Article 82 and 83 paragraph 3, the Government shall adopt within 6 months from the day this Law enters into force.

Article 118

The by-law from Article 7 of this Law shall be adopted by the Ministry within 6 months from the date of entry into force of this Law.

The first incentive system plan from Article 13 paragraph 1 of this Law shall be adopted by the Ministry no later than in February 2022.

The Government shall adopt the by-law from Article 55 paragraph 5 and Article 61 paragraph 5 of this Law within 6 months from the date of entry into force of this Law.

Article 119

The by-law from Article 95 paragraph 3 of this Law shall be adopted by the Ministry within 6 months from the date of entry into force of this Law.

The by-law from Article 96 paragraph 3 of this Law shall be adopted by the Ministry within 6 months from the date of entry into force of this Law.

Article 120

The Agency shall adopt the Methodology from Article 15 paragraph 2 of this Law within 6 months from the date of entry into force of this Law.

The Agency shall adopt the Methodology from Article 34 paragraph 2 of this Law within 6 months from the date of entry into force of this Law.

Article 121

Regulations adopted based on the Energy Law (*The Official Gazette of the Republic of Serbia*, Nos. 145/2014 and 95/2018 – state law), regulating the field of renewable energy sources, shall apply until the adoption of by-laws in accordance with this Law, if they are not in contravention of this Law.

Article 122

Procedures that have not been finalised up to the date of entry into force of this Law, shall be finalised based on the provisions of the Energy Law (*The Official Gazette of the Republic of Serbia*, Nos. 145/2014 and 95/2018 – state law).

Article 123

This Law shall come into force on the eighth day from its publishing in *The Official Gazette of the Republic of Serbia*.