

ANNEX A: MODEL FOR THE REQUEST FOR THE RELEASE OF FUNDS

Fiche to be used for each step:

The step under review	Further open retail electricity market in parallel with transitional phaseout of the Bulk Supply Agreement to deregulate retail electricity prices in line with the requirements of the Electricity Integration Package, by which public intervention in price setting for end users can only be temporary and limited for households and SMEs; KOSTT and Albanian Power Exchange (ALPEX) to join day ahead market coupling with the EU based on the Market Coupling Operation Integration Plan (MCO IP), as approved by European Union Agency for Energy Regulators (ACER).
Baseline	Transposition of the Electricity Integration Package at an early stage
Deadline of the step	By June 2026
Actual results	The retail electricity market in Kosovo has advanced significantly toward liberalization through the operationalization of the Albanian Power Exchange (ALPEX) in Kosovo in February 2024 and the launch of the Kosovo-Albania day-ahead market coupling. These developments established the first organized electricity market in Kosovo and created the conditions for increased competition, market-based electricity trading and the gradual reduction of reliance on regulated supply arrangements. The market liberalization process continued during 2025 through the implementation of measures aimed at reducing the scope of regulated electricity supply. In accordance with the Law on Electricity, the Energy Regulatory Office (ERO) clarified the eligibility criteria for Universal Service Supply (USS), limiting its application to household customers and small enterprises with up to 50 employees and annual turnover below EUR 10 million. As of 1 June 2025, commercial consumers not meeting these criteria were required to procure electricity on market terms. The phased market opening continued with a second phase commencing on 1 April 2026, bringing the share of consumption supplied under unregulated tariffs to 15.4%. Within its competences, ERO has approved and implemented the entire regulatory framework necessary for the functioning of a competitive market, has monitored the implementation of the liberalization process and has supported the creation of conditions for effective competition between electricity suppliers. The gradual transition of eligible consumers to the open market contributed to increased liquidity and competition in the wholesale electricity market and supported the phased reduction of the Bulk Supply Agreement (BSA) between KEK and KESCO. By the end of 2025, 30 electricity suppliers had been licensed in Kosovo, of which 8 suppliers were actively supplying customers. A total of 9,535 metering points had concluded supply contracts in the liberalized market. In February 2026, ERO designated KEK as the Supplier of Last Resort (SoLR) for the period 2026-2029, strengthening arrangements for security of supply during the ongoing market liberalisation process. At the same time, it should be emphasized that ERO has undertaken all necessary legal and regulatory actions for the full functioning of the Albanian Electricity Exchange (ALPEX). Through its decisions in 2024, ERO has enabled the functioning of both segments of the ALPEX market, namely the Day-Ahead Market (DAM) and the Intraday Market (IDM), creating the regulatory

	basis for the further integration of the Kosovo electricity market with the regional and European Union markets. Regarding market integration with the European Union, ERO continues to cooperate with the Ministry of Economy, KOSTT, ALPEX, the Energy Community Secretariat and ACER, providing the necessary regulatory support for fulfilling the requirements related to the Day-Ahead Market (SDAC) integration process. Kosovo also continued participation in the Southeast Europe Market Coupling (SEE-MC) initiative together with Albania, North Macedonia and Greece. ERO signed Memorandum of Understanding with the regulators of Albania and North Macedonia on mutual recognition of electricity trading and supply licenses, facilitating regional electricity trade and market participation. In December 2025, KOSTT became a member of the Italian Borders Working Table (IBWT) as an Adhering Party by signing the Third Amendment to the Operational Agreement for the Price Coupling of Day-Ahead and Intraday Auction Markets of the Italian Borders. In addition, KOSTT has completed the questionnaire related to the transposition process of the Third Energy Package directly related to Electricity Market Coupling through IBWT framework, which is required before proceeding to the next phase of the IBWT process. Preparatory activities for future integration with the European electricity market continued in line with the Market Coupling Operator Integration Plan (MCO IP) approved by ACER. However, KOSTT and ALPEX had not yet joined the EU Day-ahead market coupling by June 2026.
Evidence provided	1. Ero Decision of retail electricity tariffs for customers entitled to the Universal Service of Supply 2. Opening of the Kosovo-Albania Power Exchange: https://me.rks-gov.net/en/blog/opening-of-the-kosovo-albania-power-exchange/ 3. Public Notice on the Liberalization of the Energy Market in Kosovo: https://www.ero-ks.org/zrre/en/public-notice-liberalization-energy-market-kosovo 4. KESCO notice explaining the first step of electricity-market liberalisation for businesses in Kosovo: https://www.kesco-energy.com/eng/news/customers-with-over-50-employees-or-over-10-m-612/ 5. KESCO notice explaining Second phase of energy market liberalization: https://www.kesco-energy.com/eng/news/second-phase-of-electricity-market-liberaliza-716/ 6. ERO assignment of the Supplier of Last Resort obligation to KEK: https://www.ero-ks.org/zrre/en/press-release-56? 7. Memorandum of Understanding with the regulators of Albania and North Macedonia https://www.ero-ks.org/zrre/en/notice-10 8. Annual Implementation Report from Energy Community
Checks performed in the verification of the step and related findings	During verification of the step, all available and possible evidence has been collected and reviewed. The evidence has been listed down in the checklist on the conducted verification, and all documents supporting the verification have been properly stored (in order to ensure audit trail). The following checks were conducted: • All available documentation in line with the level of the achievement (as attached to this report) has been reviewed to verify the current stage of the reform step; • Compliance with the descriptive part of the reform step from the Commission Implementing Decision has been verified to the maximum possible extent and scope (as evidenced by the documentation available);

	• The attached documentation can confirm non-fulfilment of the reform step, as presented in this report; The results of the checks indicate that the reform step has not been fulfilled during the reporting period (30 June 2026). As soon as the information is received by the Implementing units on the complete achievement and fulfilment of the reform step, the checks will be re-performed and repeated to verify the underlying completion / fulfilment.
Compliance with general principles and DNSH principle	The implementation of the steps does not contravene the general principles outlined in Article 4 and 11(4) of Regulation (EU) 2024/1449 and Article 3 of the Facility Agreement. The implementation of the steps does not contravene the ‘Do No Significant Harm’ principle (DNSH).
Double funding	Contributions from third parties were not identified in support of the achievement of this step.
Clear conclusion on the achievement of the step	This reform step has not been fulfilled by June 2026. It moves in grace period.



Pristina, 16 April 2025
ERO Code: V_2703_2025

The Board of Energy Regulatory Office,

Based on Article 9, paragraph 1, subparagraph 1.7; Article 15, paragraph 1, subparagraph 1.5; Article 25, Article 26, paragraph 1, subparagraph 1.2; Article 46, paragraph 1, subparagraph 1.2; Article 47, Article 48, and Article 49 of the Law on the Energy Regulator (Law No. 05/L-084), the provisions of Article 37 and Article 38 of the Law on Electricity (Law No. 05/L-085), ERO Rule/no.15/2017 on the Determination of Maximum Allowed Revenues for the Universal Service Supplier (Rule on USS Revenues), the Methodology for the Tariff Structure according to Article 20 of ERO Rule/no. 15/2017 on the Revenues of the Universal Service Supplier (USS), Decision V_2698_2025 of 11 April 2025, on the approval of the Maximum Allowed Revenues for the Universal Service Supplier (USS), Decision V_2701_2025, dated on 16 April 2025; Decision V_2701_2025, dated on 16 April 2025 and the Proposal of the Universal Service Supplier (USS) on the Tariffs of the Universal Service Supplier, sent to ERO on 14 April 2025,

in the session held on 16 April 2025 issued the following:

DECISION

- I. APPROVAL-** of retail electricity tariffs for customers entitled to the Universal Service of Supply, to be collected from 01 May 2025 until the next tariff review.
- II.** The retail electricity tariffs for customers entitled to the Universal Service of Supply, that will be implemented by the Universal Service Supplier (USS) are presented in the following table of this decision:



Table: Retail electricity tariffs for customers entitled to the Universal Service of Supply for 2025:

Tariff Group	Voltage level of supply	Tariff element	Unit	Time of day	Proposal
1	35 kV	Customer's fixed tariff	€/customer/month		14.54
		Engaged power	€/kW/month		7.61
		Active energy (P), of which	€/kWh	High tariff	6.40
			€/kWh	Low tariff	4.11
		Reactive energy (Q)	€/kVArh		0.87
2	10 kV	Customer's fixed tariff	€/customer/month		6.00
		Engaged power	€/kW		6.56
		Active energy (P), of which	€/kWh	High tariff	7.44
			€/kWh	Low tariff	4.80
		Reactive energy (Q)	€/kVArh		0.87
3	0.4 kV Category I (reactive energy customers)	Customer's fixed tariff	€/customer/month		3.34
		Engaged power	€/kW		3.87
		Active energy (P), of which	€/kWh	High tariff	8.70
			€/kWh	Low tariff	6.46
		Reactive energy (Q)	€/kVArh		0.87
4	0.4kV Category II	Customer's fixed tariff	€/customer/month		3.87
		Active energy (P), of which	€/kWh	Single tariff	11.47
			€/kWh	High tariff	13.92
		Active energy (P), of which	€/kWh	Low tariff	6.90
5	0.4kV 2-rate meter (household)	Customer's fixed tariff	€/customer/month		2.32
		0-800kWh (First block)	€/kWh	High tariff	9.05
			€/kWh	Low tariff	3.88
		>800kWh (Second block)	€/kWh	High tariff	15.43
			€/kWh	Low tariff	7.28
6	0.4kV 1 rate meter (household)	Customer's fixed tariff	€/customer/month		2.32
		0-800 (First block)	€/kWh	Single tariff	7.12
		>800 (Second block)	€/kWh	Single tariff	12.39
7	0.4kV (unmetered household)	Evaluated consumption			
		Customer's fixed tariff	€/customer/month		2.32
		Active energy (P), of which	€/kWh	Average tariff	9.05
8	Public lighting	Customer's fixed tariff	€/customer/month		4.17
		Active energy (P), of which	€/kWh	Single tariff	12.01
High tariff (day) is applied from 07:00 - 22:00 during the period 1 October to 31 March					
High tariff (day) is applied from 08:00 - 23:00 during the period 1 April to 31 September					
The customer is charged with reactive energy above the allowed one which corresponds to cos φ<0.95					

III. This decision will be implemented by the Universal Service Supplier (USS), starting from 01 May 2025 until the next tariff review.

ARSYETIM

- The Energy Regulatory Office (ERO) on 20 December 2025, initiated the process: Annual Adjustments of Revenues and Tariffs for regulated operators, including the Universal Service Supplier (USS).
- ERO, according to its notice, has evaluated that this process annual adjustment of tariffs and revenues for the relevant tariff year 2025, aims to ensure that the Maximum Allowed Revenues



(MAR) for regulated licensees are in line with and in compliance with real costs and forecasts for the tariff period.

- ERO has notified that in accordance with the respective rules on licensees' revenues, the forecasts must be updated to take into account the differences between the forecast values and the realized ones. Therefore, the adjustments are passed-through to the following year, or the differences of year t-1 are passed-through to year "t" within the framework of the relevant tariff process. It has also emphasized that after collecting the relevant data from licensees, ERO will analyse and evaluate the applications of licensees to determine the real costs reflected therein.
- ERO has notified that the determination of the revenues of the supplier with obligation of the universal service is conducted on an annual basis, respectively, the tariffs for the relevant year 2025 take into account the cost adjustments of 2024.
- ERO, through the notice, has emphasized that it will make the applications public to the extent allowed by the relevant legislation, once they are deemed complete and will assure all stakeholders that ERO's analyses of this data and its proposals will be made public and will be published for public consultation, so that final decisions take into account relevant data and comments from stakeholders.
- ERO, on 29 January 2025, has received the application from the Universal Service Supplier for the Maximum Allowed Revenues for the year 2025.
- During the process of reviewing the application for Maximum Allowed Revenues, within the framework of the application review process and further clarifications, ERO, through continuous correspondence, has requested from USS to provide information, update data, arguments and supporting documentation regarding all identified issues in order to have transparency for making a fair and cost-reflective decision on tariffs.
- ERO, on 14 February 2025, published the Consultation Report - Annual Adjustments of Maximum Allowed Revenues for the USS, for the relevant tariff year 2025. Following the publication of the Consultation Report - Annual Adjustments of Maximum Allowed Revenues for the USS, in which the actual and forecast data of technical, economic and financial indicators are presented, ERO has invited all stakeholders to submit their comments through the public consultation for a two-week period.
- The Consultation Report has presented ERO's proposals for MAR to be covered by the USS during the relevant tariff year 2025. The approved Maximum Allowed Revenues will determine the retail electricity tariffs for customers entitled to Universal Supply, which will be applied by the Universal Service Supplier to tariff-regulated customers.
- The Consultation Report has addressed retail allowed costs, pass-through costs, working capital and bad debt. As for retail allowed costs, they include costs related to the supply of regulated customers, including allowed operating and maintenance costs, corporate costs, depreciation costs and other costs that are outside the control of the USS. Retail allowed costs are calculated as the sum of allowed operating and maintenance costs for the year 2025 and are set based on the input values for the USS set by ERO decision V_2637_2925. Controllable OPEX costs are indexed to



an efficiency factor of 0.75%, therefore the allowed OPEX for the year 2025 is €6,712 million. Also, the proposed depreciation costs for 2025 have used as a starting point the costs allowed in 2024 and indexed for the inflation rate of 2.36%.

- It is worth emphasizing that the depreciation costs for 2025 are €0.134 million, which does not include depreciation for the additional USS request for investments, which ERO has not approved due to the lack of analysis of the impact that the deregulation process may have on these investments. Other components of retail costs that have been addressed are the retail margin calculated on “purchases of energy from local generation, imports, imbalances”, bad debt and working capital are calculated based on the formulas set out in the Rule on USS Revenues.
- Regarding the pass-through costs of USS, they depend on the evaluations for MAR, for other regulated companies, and are then passed-through/included in the calculation of the Maximum Allowed Revenues only for the regulated part of the tariff customers. These are the pass-through costs from KOSTT, KEDS, the costs of the renewable resources fund and any other costs that are outside the control of USS. The pass-through costs are based on the amounts of energy supply to the regulated customers by USS, which also considers the evaluation of the impact of deregulation on the customers. The pass-through costs of the TSO/MO including the fund for renewable resources which are 48.951 million € and the pass-through costs for the DSO which are 141.554 million €.
- The Consultation Report also addressed the wholesale power purchase costs (WHPC) for 2025, where in order to evaluate the costs related to the purchase of wholesale power for USS customers, ERO has analysed the data reported by USS for the forecast consumption for 2025, the evaluation of the effect of customer deregulation, and the data for the forecast of the balance for 2025. ERO understands that there may be changes in the profile and amounts of purchases by USS as a result of the deregulation process, because a share of customers may move from the category of customers with regulated prices to that of customers with unregulated prices.
- ERO, when evaluating the wholesale energy purchase costs, has compiled a forecast of the profile of energy purchases by the USS for 2025 based on the draft energy balance and the USS demand, which is a key part of understanding the demand for energy and the way to supply the required energy. This profile is also divided into two main categories: "peak" (maximum consumption) and "base load" (base consumption), which helps in determining the amounts of energy that should be purchased during different months of the year. Based on ERO's analysis, the profile of energy purchases by the USS is also presented in graphical form in the Consultation Report (Figure 2). Therefore, the import price estimate is based on the monthly import profile (peak, base load), energy purchase prices on HUDEX (as of 6 March 2025) and the costs of payments for cross-border capacities, based on historical costs during 2023 and 2024.
- ERO has evaluated that due to seasonal demands and the possibility of price fluctuations, the forecast will enable the USS to have a clear plan for the purchase of energy and to foresee the costs to be covered for the year 2025. After determining the necessary amounts for supply in order to cover the demands of USS customers, the calculation of the costs for the purchase of wholesale energy should also be made. In accordance with the Rule on USS Revenues, the Universal Service Supplier is obliged to provide electricity in a transparent, competitive and efficient manner,



demonstrating that the forecast prices of the electricity to be procured are reasonable. Therefore, the energy purchase costs for USS for the year 2025, which indicate the amount of energy to be purchased from different sources and the respective costs of those purchases, respectively for each category of supply, and wholesale purchases for the year 2025 are forecast to total €193,064 million.

- It is also important to emphasize that the USS is obliged under the Rule on USS Revenues, namely Article 17 and Annex 3, to provide electricity in a transparent, competitive and efficient manner. As a result, the USS must demonstrate that the energy purchase prices must be reasonable and comply with the requirements of Article 17 of the Rule on USS Revenues.
- The Consultation Report also addressed the cost adjustments of concessionary HPPs for 2025, where after evaluation and analysis it was emphasized that the origin of the price adjustment of concessionary HPPs dates back to December 2015, when KESCO requested a price review for one of the concessionary HPPs by correctly applying the principles set out in the Power Purchase Agreement (PPA). However, the parties applied a different approach to updating the price, consequently concluding a different price than the initial proposal. Given that KESCO and the concessionary HPPs have applied a different approach to the price review compared to the one foreseen in the PPA, ERO has made the cost adjustment for HPPs, based on the data resulting from the difference between the price applied by KESCO and the one resulting from the application of the composite inflation rate for a 5-year period, and the price review for the remaining years of the third period (2020-2024). The cost adjustment is made by taking into account the difference between the applied (current) price and the one resulting from the composite inflation rate, by multiplying it by the monthly amount of energy billed. In conclusion, ERO has requested from the parties, in the interest of implementing the provisions foreseen in the Energy Purchase Agreement, regarding the escalation of the price for inflation and general interest, to be made for the local inflation index, and the adjustment to be made at the request of ERO. The corrected value applied in the MAR calculation is -0.45 million €, but ERO evaluates that this value should be adjusted for three years by -0.15 million € per year.
- The consultation report also addressed the adjustments to the allowed revenues in 2024, where according to the Rule on Maximum Allowed Revenues, the correction of the revenues for 2024 has been made. The principle applied is based on the overall evaluation of the allowed costs and actual revenues realized for those categories of expenses that directly depend on the level of supply. These calculations have been made using the formula set out in the Rule on Maximum Revenues. As for the interest rate for the relevant year t , which is calculated based on EURIBOR plus $S\%$, where S represents the value determined by ERO during periodic reviews that reflects the premium payable by the licensee for short-term loans, where the EURIBOR rate of 3.31% for 2024 is the interest rate that reflects the cost of short-term loans that banks apply for a one-year period. This EURIBOR rate plus the S factor which represents the value determined by ERO during annual adjustments reflecting the premium payable by the licensee for loans which serves as a basis for calculating the “It-interest rate” that they pay for loans taken to finance their investments or operations. Therefore, the values of the actual allowed costs for 2024 are higher than those allowed in some categories, especially for the purchase of energy for supply, where the actual costs were around €39.78 million higher than the allowed costs, and the Revenue Adjustment



Factor KREV will be used to update the values of the Maximum Allowed Revenues for 2025, reflecting the changes in the actual allowed costs compared to the revenues realized for 2024, therefore the Revenue Adjustment Factor (KREV) has resulted to be €34.173 million.

- The Consultation Report also addressed the adjustments to the costs of purchasing energy for 2024, where the main adjustments for 2024 relate to adjustments to the allowed costs of purchasing energy. The increase in the cost of purchasing energy is a result of two main causes: increased consumption and import levels from the USS and low production from RES, due to increased consumption and non-realization of the forecast production from RES; the USS has been forced to import more electricity than predicted in 2024, and as a result of the increase in the price of electricity compared to forecasts, and the increase in the costs of cross-border capacities, where during 2024 there was an increase in prices on the European energy exchanges, compared to forecasts for price stabilization. Moreover, because most countries in the region are net importers, cross-border networks have often been overloaded, leading to increased prices for using cross-border lines for imports.
- It is worth emphasizing that the difference between the forecast import prices and the prices realized during 2024 is a consequence of the increase in the costs of ancillary services, this is due to the fact that among the other causes of the increase in the cost of the electricity supply service for 2025 are also the costs associated with the provision of ancillary services. For 2025, the Transmission System Operator (TSO) predicts that the cost of ancillary services will increase significantly due to the greater demand for the provision of secondary reserves and the increase in fixed availability prices. The need to provide these capacities stems from the Balancing Code, which is harmonized with the regulations derived from ENTSO-E. It should be noted that this forecast cost increase is expected to burden customers and network users until the development of ancillary services within the regional market is achieved. Therefore, this year, these factors are already one of the main contributors to the increase in TSO service costs, which, in turn, leads to higher tariffs for end users.
- ERO has evaluated that it will not recognize as allowed costs the USS imbalance costs during the period December 2024 and January 2025. The Transmission System and Market Operator (KOSTT) has referred to the Energy Regulatory Office (ERO) the issue of the continuous inconsistency of the form of negative imbalances, which has resulted in a shortage of electricity. In this context, ERO will conduct a monitoring on this issue and will have a detailed report regarding the issue referred by KOSTT. Therefore, until the completion of the report, the costs of imbalances for the months of December 2024 and January 2025 will not be recognized as regular or acceptable by ERO, and will be treated in accordance with the conclusions of the reporting process and subsequent decision.
- The Consultation Report also addressed the proposals for the Maximum Allowed Revenues for the USS for 2025 with a lot of information and detailed calculations related to the costs and various parameters that affect the determination of these revenues. It is worth emphasizing that the application of the USS for the allowed costs in the amount of €117,667 million for the DSO, presents the revenues that can be collected with the current tariffs, while the request of KEDS as pass-through costs to the USS for regulated customers is significantly higher. Also in the tables in the column “ERO Proposal 2025”, the revenues are based only on customers who will remain at



regulated prices, excluding those who will enter the open market. If these customers were to remain at regulated prices, the USS would have more revenues to supply this part of the customers. Therefore, the proposed Maximum Allowed Revenue for the USS for 2025 is €434,735 million, which represents the amount that will be recovered from regulated retail tariffs.

- The Consultation Report also addressed the process of customer deregulation, presenting the legal obligations of ERO, the international obligations of the Republic of Kosovo as a signatory to the Energy Community Treaty, the process of market deregulation and liberalization, as well as the expected effect on customers.
- Regarding the legal obligations related to the organized energy market and market liberalization, the obligations are defined in Articles 5, 7, 26, 37 and 40 of the Law on Electricity. While regarding Kosovo's obligations as a party to the Energy Community Treaty, there was an obligation to transpose the "Acquis Communautaire" on energy into domestic legislation, in accordance with the decisions of the Energy Community Council of Ministers. This transposition includes eight EU legal acts, including Directive (EU) 2019/944 on the rules of the internal market in electricity and Regulation (EU) 2019/941 on risk-preparedness in the electricity sector. One of the main obligations of Kosovo is the implementation of the principles set out in Directive (EU) 2019/944. Article 27 of this Directive provides that Member States shall ensure that all household customers and, where Member States deem it appropriate, small enterprises, enjoy universal service, namely the right to be supplied with electricity of a specified quality within their territory at competitive, easily and clearly comparable, transparent and non-discriminatory prices. In order to ensure the provision of universal service, Member States may designate a Supplier of Last Resort. Directive 2019/944 defines small enterprises as enterprises which employ fewer than 50 employees and whose annual turnover and/or total annual turnover does not exceed EUR 10 million. After the transposition of these acts, Kosovo is obliged to inform the Energy Community Secretariat of any measures taken and, every two years, to report on possible changes to these measures. Through this process, the aim is to make the electricity market more flexible, more customer-oriented and more decentralised, contributing to security of supply and a sustainable energy transition. It should be noted that Directive 2009/72, namely Article 3, paragraph 3, has stated that Member States shall ensure that all household customers and, where Member States deem it appropriate, small enterprises, enjoy universal service, namely the right to be supplied with electricity of a specified quality within their territory at competitive, easily and clearly comparable, transparent and non-discriminatory prices. Directive 2009/72 also defines small enterprises as enterprises which employ fewer than 50 persons and whose annual turnover and/or total annual turnover does not exceed EUR 10 million.
- ERO, in relation to the retail market deregulation process in Kosovo, on 18 January 2017, published the Guideline on Market Liberalization, setting out the manner, criteria and deadlines for this process, which envisaged a gradual approach based on the reality of the functioning of the energy sector in Kosovo and the region. The Guideline identified several preconditions for liberalization, including the notice of the Regulator on handling the electricity production, the amendment and approval of new rules and methodologies, as well as the handling of issues outside the competence of ERO. Also, this Guideline stipulated that the regulation of production prices would end on 31 March 2017. As for the deadlines for the transition of customers to the deregulated market, they



were as follows: industrial customers connected at the 220 kV transmission level to switch immediately, those connected at the 110 kV voltage level to switch by 31 March 2017, those at the 35 kV and 10 kV levels by 31 March 2018, and following the identification for commercial customers at 0.4 kV. The Guideline emphasized that all end customers had the right to be supplied in the free market. However, due to the lack of competition in the electricity market, many planned customers failed to switch to the deregulated market. As a result, ERO made several additions and changes to the liberalization guidelines, extending the deadlines: on 13 June 2018, the deadline for 35 kV and 10 kV customers was extended until 31 March 2019; on 30 October 2018, the deadline for 10 kV customers was extended until 31 March 2019; and on 28 March 2018, the deadline for 35 kV customers was extended until 31 March 2020, and for 10 kV customers until 31 March 2021. Meanwhile, by decision V_1419_2021, ERO obliged KESCO, as a public supplier, to continue supplying customers connected to 35 kV and 10 kV under universal service criteria until the conditions for an open market are established.

- It is worth clarifying that since the entry into force of the primary laws of the energy sector in July 2016, ERO has taken actions as mandated by these laws and has issued sub-legal acts - rules, decisions, procedures and guidelines for the liberalization of the electricity market in Kosovo, which were published on its official website. ERO has licensed 19 electricity suppliers, and the list is accessible its website.
- The USS, on 05 March 2025, at the request of the Regulator, announced that as of 1 June 2025, all commercial customers with an annual turnover greater than 10 million euros, or more than 50 employees will be supplied to the open market. Commercial customers who do not meet these criteria must submit to KESCO/USS the evidence that they qualify to be supplied at regulated prices (i.e. customers who do not have an annual turnover greater than 10 million euros, and more than 50 employees). The recognized evidence is the documentation issued by the institutions of the Republic of Kosovo, namely the Kosovo Tax Administration (ATK), which presents the annual turnover and the number of employees. ERO has also clarified that according to primary and secondary legislation, all customers without distinction (household and non-household), who wish to be supplied on the market (i.e. at unregulated prices), have the right to do so. ERO has also clarified that, if the customer fails to select or find a new supplier after terminating the contract with the previous supplier, they are entitled to the right to be supplied from the Supplier of Last Resort, for a period not exceeding sixty (60) days, according to Article 39 of the Law on Electricity, and Article 9 of the Rule on Supplier of Last Resort.
- The Consultation Report was published for public discussion by ERO with the aim of obtaining comments from stakeholders on ERO's proposals.
- ERO, during the public consultation received comments from citizens and various stakeholders, including: INDEP, civil society organizations, Green Energy Kosovo, Institutions of the Republic of Kosovo, and energy enterprises.
- KESCO submitted comments, on 28 March 2025, regarding the Consultation Report on Annual Adjustments of Maximum Allowed Revenues for USS.



- ERO has analysed in detail all the received comments and considers them to be an important part of the public consultation process. ERO has received several similar or identical comments from different citizens, while in the Final Report (Responses to Comments) published by ERO on 11 April 2025, the comments and responses to each of the issues raised by citizens and stakeholders were presented, and after analysis and professional evaluation, it has presented written responses which were included in the Final Report.
- The Final Report of the Review of Maximum Allowed Revenues for USS, also includes the updated data from the DSO, which after analysis by ERO were taken into consideration in the final evaluation and responses to comments from stakeholders on the issues raised and the final evaluations.
- ERO, in the Final Report, has addressed the final proposal for the Maximum Allowed Revenues (MAR) of the USS to be collected from regulated retail tariffs. The MAR reflected in this chapter takes into account the responses to the comments (See Annex 1 for all responses to the comments). ERO during the consultation process has reviewed the estimated costs for energy purchases by reviewing prices in the HUDEX advance contract market, as well as by reviewing the forecast costs of cross-border capacities. The forecast purchase amounts and the profile of energy purchases from KEK, RES with concession, RES with reference price and from imports remain unchanged. For the initial price forecast for purchases of USS from imports in 2025, ERO relied on the results of the auction on HUDEX, dated on 06 March 2025. ERO has updated these forecasts with the results of the auction for long-term contracts (monthly and quarterly), dated on 04 April 2025, on HUDEX.
- ERO, in the final report on the forecast of cross-border capacity costs, was based on the average data realized for cross-border capacities during 2024 and 2023. After the consultation process, ERO evaluated that the costs of cross-border capacities in September 2024 were outside the nominal market values, and were reviewed based on linear interpolation between August and October 2024. ERO compared this average with those realized in 2022, and evaluated that the average of 2024 and 2023 represents expected values of cross-border costs during 2025.
- ERO, after reviewing the forecast prices, has emphasized that the average forecast price of energy purchases from imports for the USS has decreased from €161.41/MWh to €161.28/MWh. The average forecast price of total energy purchases has decreased from €40,608/MWh to €40,601/MWh. Consequently, the total forecast costs for energy purchases by the USS have been reviewed from €193,064 million to €193,030 million.
- ERO, in the final report has also addressed the revisions in the forecast of the pass-through costs for the TSO and the DSO, where the calculation of the obligations for 2025 towards the TSO and the DSO is made based on the forecast tariffs of the TSO and the DSO for supply, and the volumes of energy sales to various customers. ERO, during the consultation process, has reviewed the MAR for the TSO (Chapter 3) and the MAR for the DSO (Chapter 4), based on which the forecast tariffs of the TSO and the DSO have also changed. As a result, the obligations of the USS towards the TSO and the DSO have also been reviewed. The forecast of the pass-through costs of the TSO in the final proposal is 33,435 million €, while for the DSO in the amount of 141,204 million €.



- In the final report, ERO also addressed the revisions to the realized costs of imbalances during 2024, where during the initial proposal, ERO, in the analysis of the realized costs for the purchase of energy in 2024, took as the realized value of imbalances the value of €0.292 million for 2024. As a result of the consultation process, the actual realized value of imbalances is €2.92 million, where the KREV factor and the Maximum Allowed Revenues for 2024 have been updated to take into account the changed value of imbalances, from €34.173 million to €37.532 million.
- Therefore, the Maximum Allowed Revenues of the Universal Service Supplier, covered by retail electricity tariffs for the relevant tariff period of 2025 are in the amount of €435,926,299, as determined by decision V_2698_2025 of 11 April 2025.
- USS, based on point III. of the enacting clause of Decision V_2698_2025, dated on 11 April 2025, is obliged to prepare and submit to ERO the proposal for approval of regulated retail electricity tariffs for customers entitled to Universal Service Supply.
- ERO, on 14 April 2025, received from the USS, the proposal for Retail Electricity Tariffs for customers entitled to Universal Service Supply.
- ERO has evaluated the tariffs proposed by the USS and has found that they were calculated in accordance with the Methodology for the Tariff Structure, under Article 20 of the ERO Rule/No.15/2017 on USS Revenues. The proposal of USS for USS tariffs is based on the ERO decision on the Maximum Allowed Revenues for USS, V_2698_2025, dated on 11 April 2025.
- ERO has evaluated that the tariffs proposed by the USS reflect the costs of electricity supply services for customers entitled to universal supply.
- ERO has evaluated that the retail tariffs for customers entitled to Universal Service of Supply, as determined by ERO, reflect the overall costs of supplying customers entitled to Universal Service of Supply, which include wholesale electricity costs, transmission and distribution network costs and direct costs of the USS.
- The ERO Board, following the evaluation and analysis of the proposal for the Universal Service Supplier Tariffs, has evaluated that the request is based on Decision V_2698_2025, of 11 April 2025, on the Maximum Allowed Revenues for the Universal Service Supplier, therefore based on the legal provisions mentioned in the introductory section of this decision, has decided as in the enacting clause to this decision.

IV. The decision is issued in the official languages of the Republic of Kosovo.

V. The decision shall enter into force on the date of approval by ERO and the same will be published on the official website of ERO.

Legal advice: The party dissatisfied with this decision may initiate an administrative dispute at the competent court, within thirty (30) days, from the date of receipt of the decision or the date of its publication on ERO's website, whichever occurs last.



ERO Board:

Ymer Fejzullahu, Chairman

Lutfije Dervishi, Member

Gani Buçaj, Member

Arta Isufi, Member

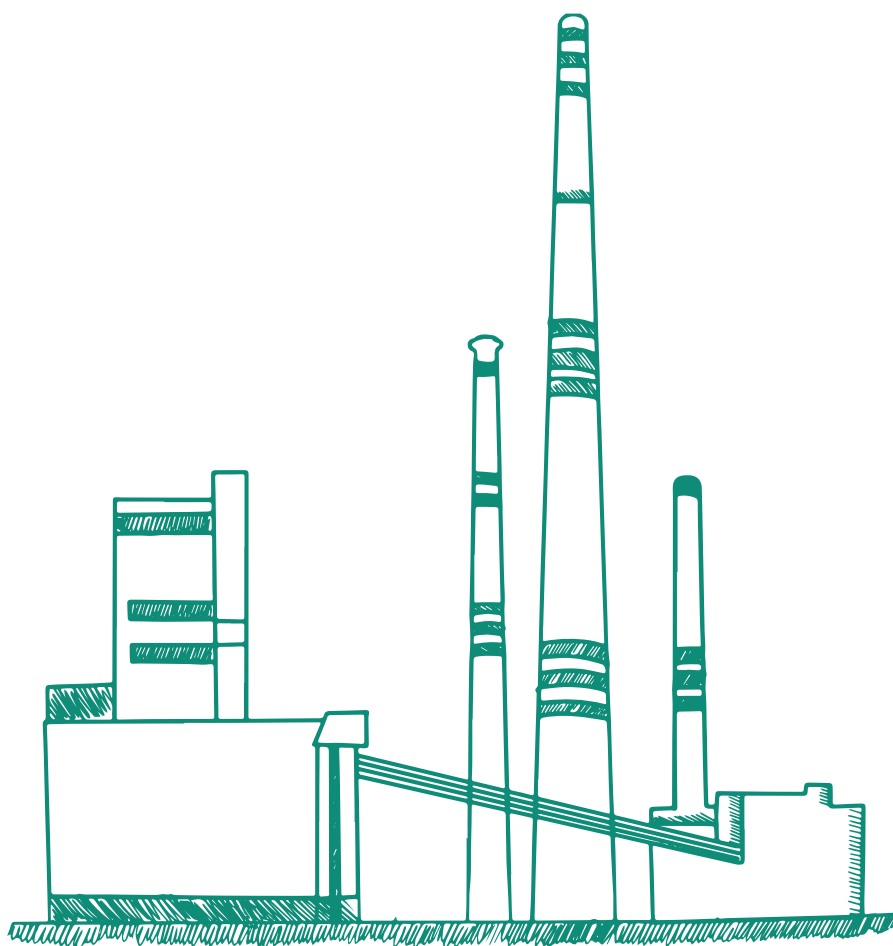
Adnan Preniqi, Member

This decision is sent to:

- KESCO,
- KEDS,
- KOSTT and
- ERO Archive

KOSOVO*

Annual Implementation Report

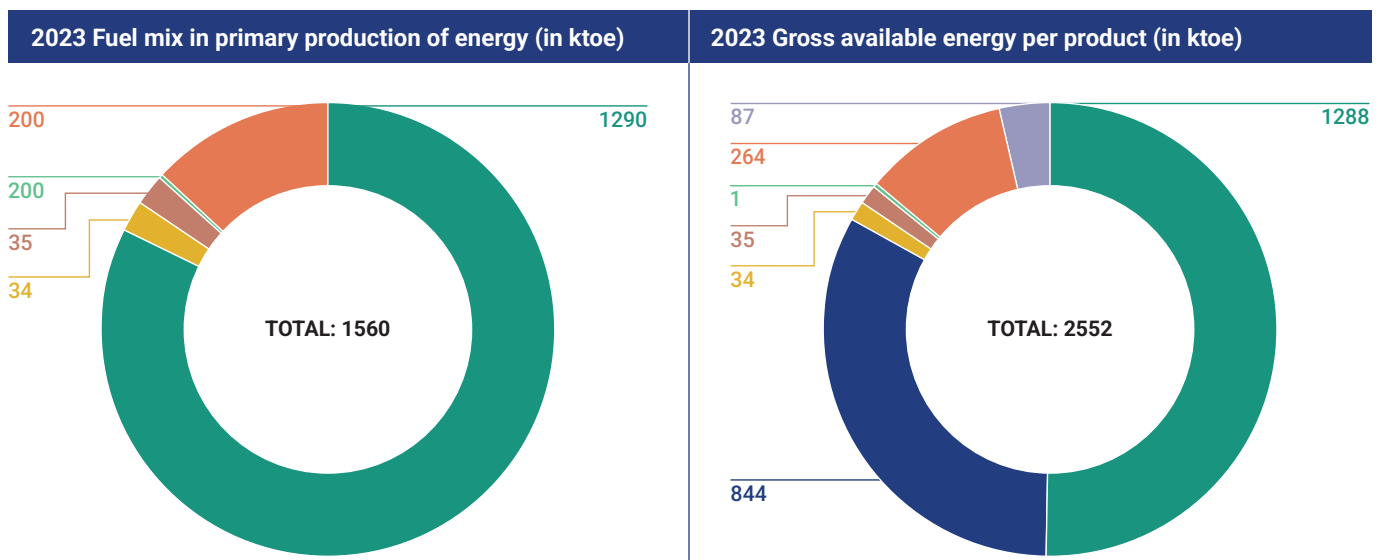


1 November 2025

Energy Community Secretariat

Implementation overview

CLUSTER	IMPLEMENTATION STATUS	RECOMMENDATIONS
 Markets and integration	46%	Kosovo* should promptly complete EIP transposition to advance electricity market liberalisation and enable integration into day-ahead and intraday market coupling and European balancing platforms, improving system balancing and minimising unintended deviations.
 Decarbonising the energy sector	46%	Kosovo* should urgently finalise its NECP and notify the Secretariat, adopt a long-term strategy with a 2050 climate-neutrality objective, adopt secondary legislation to fully transpose REDII sustainability and GHG criteria for biofuels, bioliquids and biomass fuels, adopt the new Energy Efficiency Law, related by-laws and labelling rules, finalise the building renovation strategy, and continue improving heating and cooling efficiency. It should urgently accelerate MRVA transposition and establish an adequate national institutional structure for issuing and approving GHG permits and monitoring plans.
 Ensuring energy security	40%	Kosovo* should promptly transpose Regulations (EU) 2019/941 and 2017/2196, designate a competent risk-preparedness authority and develop a risk-preparedness plan.
 Improving the environment	40%	Kosovo* should adopt EIA public participation provisions to ensure full transposition, urgently address the prolonged breach of the NERP ceilings without further delay and promptly harmonise its nature legislation with the new EIA and SEA legislation.
 Performance of authorities	69%	Kosovo* should transpose the EIP to empower ERO with essential regulatory tasks, and align rules on anti-competitive agreements and KCA appointment with the Energy Community acquis. SAC should be urgently established to enforce State aid rules. KAS should focus on improving data gaps and monthly reporting and strengthening staff capacities.



Source: Eurostat database

 Solid fossil fuels
  Natural gas
  Oil and petroleum products
  Hydro
  Solar thermal
  Solar photovoltaic
  Primary solid biofuels
  Charcoal
  Wind
  Pure biodiesels
  Electricity
  Biogases
  Geothermal
  Industrial waste
  Non-renewable waste
  Renewable municipal waste
  Non-renew. mun. waste

OVERALL NUMBER OF CASES 6					
Procedures under Article 91 EnCT					
 ECS-8/21 environment	 ECS-5/22 environment	 ECS-11/23 environment	 ECS-8/24 electricity	 ECS-16/24 oil	 ECS- 26/24 renewable energy



Markets and integration

Kosovo*



ELECTRICITY

46%



Wholesale market

46%

The Electricity Integration Package (EIP) has not yet been transposed in Kosovo*; as a result, the current legal framework is primarily based on the Third Energy Package. Kosovo* plans to transpose the main elements of the EIP through three sets of primary legislation, namely the Energy Law, the Electricity Law and the Law on the Energy Regulator. The drafts of the Energy Law and Electricity Law were submitted to the Secretariat for comment in 2024. No new drafts were shared with the Secretariat in 2025.

Electricity trades on the wholesale market are carried out on a bilateral basis, and through day-ahead and intraday auction markets. The day-ahead market was launched in Kosovo* on 31 January 2024, marking the beginning of day-ahead market coupling with Albania, the first market coupling in the Energy Community. The complementary regional intraday auctions (CRIDAs) between Kosovo* and Albania went live in December 2024, while the launch of the intraday continuous market is still pending. The Albanian Power Exchange (ALPEX) operates both day-ahead and intraday auction markets. In 2024, total trades on the day-ahead market accounted for approximately 11,75% of final electricity consumption. Trading on the day-ahead market is possible until 12:00 day-ahead market time, while three CRIDAs are conducted with gate closure times at 15:00 and 22:00 day-ahead market time and 10:00 on the delivery day. The maximum and minimum clearing prices on the ALPEX day-ahead market and intraday auction market are aligned with the reference harmonised maximum and minimum clearing prices set by the Agency for the Cooperation of Energy Regulators (ACER) (4000 EUR/MWh and -500 EUR/MWh for day-ahead and 9999 EUR/MWh and -9999 EUR/MWh for intraday).

Electricity for universal supply is still fully provided by the incumbent producer, Kosovo Energy Corporation (KEK), based on the bulk supply agreement concluded between KEK and Kosovo Electricity Supply Company (KESCO), which is an obstacle to the development of competition and market liquidity. In addition,

any surplus electricity generated by KEK is then sold to the TSO and DSO to cover network losses at prices agreed between KEK and the relevant system operator. This manner of procuring electricity for covering network losses does not meet the requirements set forth in Directive (EU) 2019/944 in terms of transparency and non-discrimination. However, since the electricity provided by KEK is not sufficient to meet the needs of the operators fully, the majority of electricity for covering network losses is eventually procured through the market.

Balancing capacity from manual frequency restoration reserve is procured through tenders, which are open to participation by service providers from Kosovo* and Albania. Currently, it is provided by the Albanian state-owned generation company, KESH. The price of balancing energy is predetermined in the contract for balancing capacity and refers to the HUPX day-ahead market price. If additional balancing energy is needed, KOSTT procures it through short-term auctions. Due to a lack of balancing service providers in Kosovo*, automatic frequency restoration reserve is provided by the Albanian TSO through a reserve-sharing agreement. The price of balancing energy from the automatic frequency restoration reserve is linked to the prices achieved on the Albanian balancing market. No prequalification process has been carried out so far; however, the rules for the prequalification of balancing service providers were approved by the Energy Regulatory Office (ERO), in 2025. Despite the introduction of certain market-based elements, procurement remains non-compliant with Regulation (EU) 2019/943 and Commission Regulation (EU) 2017/2195.

Regulation (EU) 1227/2011, as adapted and adopted by the Ministerial Council of the Energy Community, was transposed through a ERO's bylaw or regulatory authority in 2020 and has been implemented since then. A total of 27 market participants are registered in ERO's register. No investigations have been formally launched yet, but ERO is currently examining several cases of potential REMIT breaches.



Retail market

35%

In general, the Electricity Law stipulates that customers are to be supplied at market-based prices, while price regulation may be introduced for universal supply under certain conditions. Nevertheless, until recently, only customers connected at 110 kV and 220 kV were supplied through an open market. However, from

June 2025, a significant step forward was made in this respect, with all non-household customers, except for small enterprises, required to enter the free market and choose one or more suppliers licensed by ERO. There are currently 27 licensed suppliers in Kosovo*. Household customers and small enterprises are still

entitled to be supplied by the universal service supplier, KESCO, at prices approved by the regulatory authority. Consequently, the current scope and conditions for introducing public interventions in price setting are still not compliant with Directive (EU) 2019/944.

To ensure continuity of supply for customers who have lost their supplier or did not conclude a supply contract, the concept of the supplier of last resort (SoLR) has been introduced. In line with the rules adopted by ERO, SoLR prices are determined based on the wholesale market price, with an added retail margin. Customers entering the free market can be supplied by the SoLR, but for a period of no longer than 60 days. KEK is currently operating as a supplier of last resort, while the tender for selection of the new supplier of last resort is opened till mid-December 2025.

Four municipalities in Northern Kosovo* have been supplied by the electricity supply company Elektroever since the beginning of 2024.

The previously signed memorandum of understanding on the mutual recognition of licences between Kosovo* and North Macedonia is now fully operational. Several cases of mutual licence recognition have already taken place in line with this memorandum.

As Directive (EU) 2019/944 has not yet been transposed into the national legal framework, new concepts including aggregation, active customers and citizen energy communities have not yet been introduced. Provisions related to customer protection are mainly aligned with the Third Energy Package.



ENERGY POVERTY

Energy poverty is not defined in Kosovo*. While vulnerable consumers are recognised in the Law on Electricity and the Law on the Energy Regulator, there is still no standardised definition or clear identification criteria. No national target has been set for reducing energy poverty.

The Ministry of Finance, Labour and Transfers identifies vulnerable households through social assistance schemes, which also serve as the data source for providing electricity subsidies to vulnerable households during periods of crisis and high energy costs.

The national subsidy for low-income households and social assistance beneficiaries ended in 2023. The Ministry of Finance, Labour and Transfers, in cooperation with the Ministry of Economy, the Energy Regulatory Office and KEDS, is responsible for developing an annual programme to support vulnerable consumers. Currently, support is available for low-income families, including discounted electricity bills and firewood assistance during the winter season. Since 2022, several public calls for the "Support of Household Consumers to Invest in Efficient Heating Equipment" have offered higher subsidies to citizens receiving social assistance. These initiatives represent a long-term energy poverty alleviation measure. Vulnerable consumers are protected by various legal measures, including safeguards against disconnection and access to facilitated payment options. In addition, ERO prohibits disconnection of social assistance beneficiaries without prior notice or provision of an offer of deferred payment. Since June 2025, the Green and Just Transition for Kosovo project, implemented by the Kosovo* Energy Efficiency Fund with EU and Government support, has implemented energy efficiency measures for 70 vulnerable families. By 2027, the project aims to include up to 200 homes from the social assistance list.

The Kosovo* Agency of Statistics collects relevant data on energy poverty, which are not published on the Eurostat website. The most recent data available in the database of the Energy Poverty Advisory Hub date back to 2018 and indicate that 40,2% of households were unable to keep their homes adequately warm, 49,4% had arrears on utility bills and 21,4% lived in dwellings with leaks, dampness or rot.

Unbundling

81%

KOSTT, the TSO, was certified by ERO in 2019, confirming compliance with the criteria for ownership unbundling. Commission Regulation (EU) 2017/1485 has not yet been transposed in Kosovo*. KOSTT is still not a member of ENTSO-E; however, its Connection Agreement with the Continental Europe TSOs was extended in 2024 for a further two years, with penalties introduced for unintended deviations. These deviations persisted in the following period, escalating further in February 2025 and surpassing the threshold limits. In 2025, ERO approved the KOSTT's latest Ten-Year Network Development Plan (TYNDP),

covering the period from 2025 to 2034. The plan, including the decision, is published on the websites of ERO and KOSTT.

KEDS, the DSO, is legally and functionally unbundled from generation and supply activities, with a compliance programme in place. The compliance officer, appointed in 2020, regularly assesses the compliance of the DSO in its reports; the latest report, for 2024, was published on KEDS's website. The TYNDP for the period 2025–2034 has been approved by ERO and published on ERO's website.

Third-party access to the transmission and distribution systems is based on published network tariffs approved by the regulatory authority and applied in an objective and non-discriminatory manner, as prescribed by the Law on Electricity, which is compliant with Directive (EU) 2019/944. ERO approved the latest transmission and distribution tariffs in April 2025. To take into account the specific nature of producers, prosumers and energy storage, ERO approved rules defining the principles of determining distribution tariffs and connection charges in 2024. However, the tariff methodology is still to be amended in line with these principles and in order to reflect all the requirements set out in Directive (EU) 2019/944 and Regulation (EU) 2019/943.

The connection codes have been transposed and implemented through the grid codes.

Regulation (EU) 543/2013 has been transposed through the Rules on the Publication of Electricity Market Data, approved by ERO and partially implemented. KOSTT mainly publishes information on generation, consumption and transmission on the ENTSO-E Transparency Platform; however, data on balancing and day-ahead prices are not published on this platform.



Regional integration

17%

Integration into the single European market can only advance following transposition of the EIP. The requirements introduced by Regulation (EU) 2019/943, aimed at facilitating cross-border trades—primarily the minimum 70% target—still need to be implemented.

Although Commission Regulation (EU) 2016/1719 has not yet been transposed in Kosovo*, some elements have already been implemented due to application of the Harmonised Allocation Rules (with the specific annex) for long-term capacity allocation on all bidding zone borders except the bidding zone border with Serbia. Long-term capacity allocation is performed by the Coordinated Auction Office in South East Europe (SEE CAO). Cross-zonal capacity on the interconnection with Serbia is not yet available for commercial exchanges.

SEE CAO also conducts explicit day-ahead capacity allocation on bidding zone borders with Montenegro and North Macedonia, while the cross-zonal capacity on the border with Albania is allocated implicitly due to market coupling. Intraday capacity allocation is continuous on the bidding zone border with Montenegro and North Macedonia, based on the first-come-first-served principle. Since the go-live of CRIDAs, intraday cross-zonal capacity has been implicitly allocated on the border with Albania, while the remaining capacity is explicitly allocated after CRIDAs.

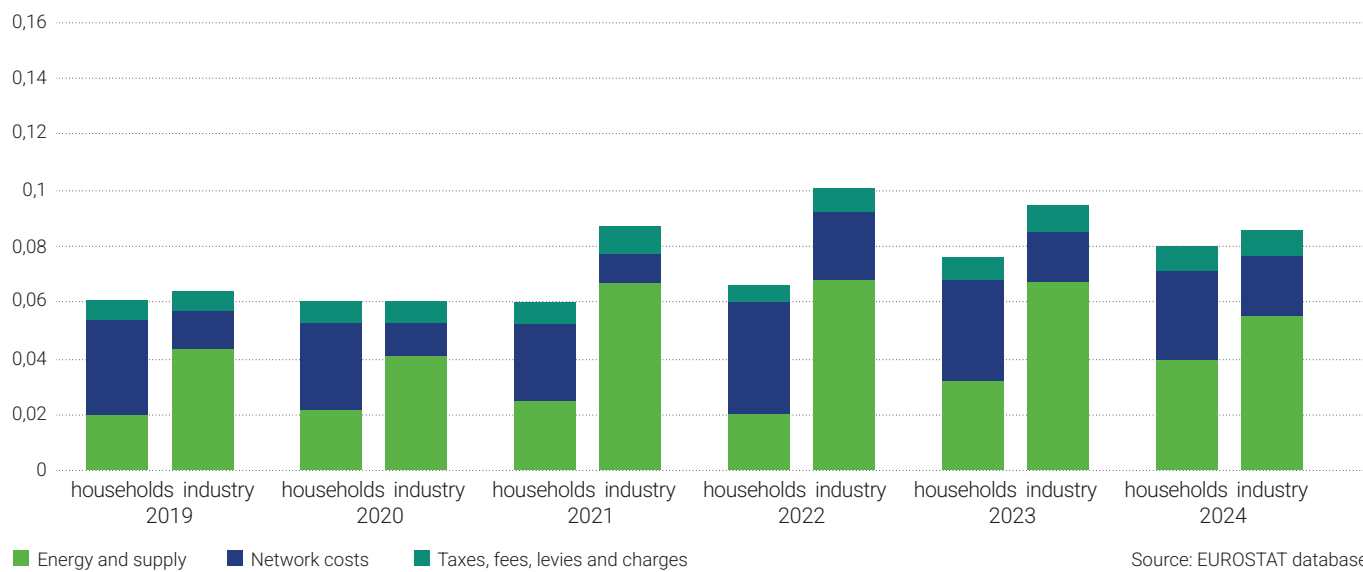
Commission Regulation (EU) 2015/1222, as adapted and adopted by the Ministerial Council, has still not been incorporated into the national legal framework of Kosovo*. However, due to the early transposition and implementation of certain parts of this Regulation, ALPEX was designated as the nominated electricity market operator (NEMO) by ERO in 2023; however, compliant designation is pending completion of the transposition and subsequent verification. ALPEX and KOSTT, together with the

NEMOs and TSOs of Greece, North Macedonia and Albania, have established cooperation aimed at implementing market coupling, under the South-East Europe Market Coupling (SEE MC) initiative. Recently, ALPEX and KOSTT became project parties in the Italian Border Working Table (IBWT); accordingly the formal establishment of the local implementation project is expected under the IBWT framework. Regarding the setup of the TSOs' cooperation within capacity calculation regions (CCRs), no activities were undertaken during the reporting period for operationalisation of the Shadow South-East Europe CCR. The proposal for the reconfiguration of this region has been submitted to ACER for approval as part of the All TSOs' proposal for amendment of the CCR determination.

An obligation to participate in the European balancing platforms has not yet been introduced for KOSTT, as Commission Regulation (EU) 2017/2195 has not been transposed. However, under the AK control block, KOSTT is already implementing the reserve sharing and balancing energy exchange processes with the Albanian TSO.

The timeline for transposing the revised TEN-E Regulation (EU) 2022/869 in Kosovo* remains undetermined. The deadline of 31 December 2024, established by Ministerial Council Decision 2023/02/MC-EnC concerning the adoption of the revised TEN-E Regulation within the Energy Community, was not met. Kosovo* is currently involved in one Project of Energy Community Interest (PECI) in the electricity sector: reconfiguration of the 400 kV grid and construction of the new 400 kV Albania–Kosovo* interconnection. This project is receiving financial support from the WBIF for the preparation of a prefeasibility study and a preliminary environmental and social scoping assessment.

Average annual prices of electricity for end users per component [EUR/kWh]





n.a.

Wholesale market

n.a.

Kosovo* does not have a gas market, although a basic regulatory framework is in place.

Retail market

n.a.

Kosovo* has transposed basic elements for customer protection.

Unbundling

n.a.

If Kosovo* establishes access to the European gas networks, any future transmission system operator must apply the ownership unbundling model.

Access to the system

n.a.

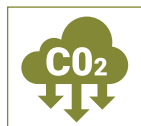
The rudimentary gas acquis requirements for unhindered access have been transposed through the Law on Natural Gas.

Regional integration

n.a.

The timeline for transposing the revised Regulation (EU) 2022/869 remains unknown. Kosovo* is the only Energy Com-

munity Contracting Party that fully transposed and implemented the old Regulation (EU) 347/2013.



Decarbonising the energy sector

Kosovo*



ENERGY AND CLIMATE GOVERNANCE

30%

National Energy and Climate Plan (NECP) and Integrated Progress Report (IPR)

27%

Kosovo* failed to notify the Secretariat of its final National Energy and Climate Plan (NECP), despite its obligation under Article 3 of Governance Regulation.

Within the framework of biennial integrated progress reports, the authorities of Kosovo* submitted information for 10 of the 17 reporting streams in 2025.

2030 Greenhouse Gas Reduction Target

0%

Kosovo* has not defined the 2030 climate target (8,95 MtCO₂eq) in its national legislation and its NECP remains to be finalised. The 2030 climate target should also be reflected in all key national planning documents such as long-term strategies.



2030 GHG Target*
-16,3%

National Systems for Greenhouse Gas Emissions and Climate Reporting

66%

The legal basis for a national greenhouse gas (GHG) inventory system is provided in the Law on Climate Change. However, by-laws related to national GHG inventories still need to be transposed.

Kosovo* has a partially transposed legal framework for a national system for policies and measures in the Law on Climate Change, and still requires by-laws for full transposition.

Climate reporting obligations have been transposed into legislation, and Kosovo* has nominated lead reporters for reporting under the Governance Regulation, but it has not submitted reports via Reportnet on any of the dataflows. Since 2025, a new requirement to submit national GHG emission projections has been in place, and this obligation still remains unfulfilled. Further progress in implementation of climate reporting obligations is still required.

Long-term Strategy (LTS) and Climate Neutrality

25%

The legal basis for a long-term strategy has been established through the Law on Climate Change. However, Kosovo* has not yet adopted a long-term strategy that sets out a 2050 climate neutrality objective. It remains unclear if and how this objective

will be achieved. The long-term strategy should include the elements set out in the adapted Governance Regulation and represents an opportunity to align with the Energy Community's 2050 climate-neutrality objective.

*All targets presented in this Decarbonisation chapter are aligned with the Ministerial Council Decision 2022/02/MC-EnC of the Energy Community



RENEWABLE ENERGY IMPLEMENTATION

58%



2030 Renewable energy targets

0%

The overall and sectoral targets have not been established in the relevant laws and the final NECP has not been notified. The draft NECP sets a 2030 renewable energy target of 32% of gross final consumption, in line with the 2030 target set by the Energy Community. The sectoral targets are 45% for electricity, 3,6% for transport and 49,6% for heating and cooling. The transport target falls short of the 7% minimum under the Re-

newable Energy Directive (REDII) and the heating and cooling target does not comply with Article 23 of REDII.



2030 RES Target
32,0%

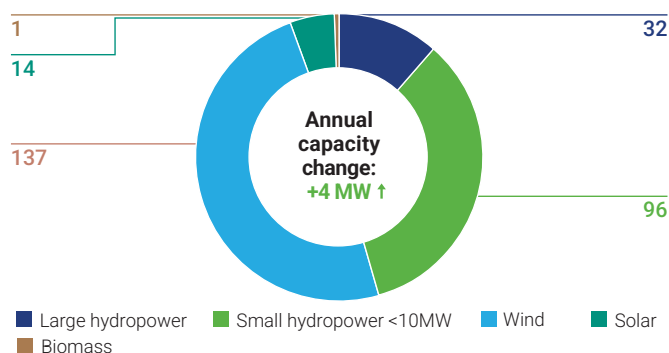


Quality of support scheme

90%

In April 2024, Kosovo* adopted its first standalone Renewable Energy Law, establishing the foundation for a market-based support scheme in line with REDII requirements. At the same time, Kosovo* completed its first solar PV auction and launched its first wind auction. However, none of the cooperation mechanisms (statistical transfer, joint projects and joint support schemes) have been implemented.

Total Capacities of Renewable Energy 2024 (MW)



Total capacities of renewable energy (MW): **281**

Source: Ministry of Economy

Self-consumption and energy communities

75%

Self-consumption operates effectively in Kosovo* through a net billing scheme. The adoption of the Renewable Energy Law enabled establishment of renewable energy communities

in accordance with requirements under REDII. The next step is to adopt the necessary secondary legislation and establish the first renewable energy communities.

Guarantees of origin

70%

Within the framework of the regional project implemented by the Energy Community Secretariat, an electronic registry for guarantees of origin (GOs) was established for Kosovo* and became operational under the regulator in July 2024. The next critical milestone for achieving a fully operational GO system

includes the adoption of disclosure rules and calculation of the residual energy mix. The Renewable Energy Law incorporated the necessary legal provisions for issuing GOs for all types of energy carriers, including renewable gas, as well as heating and cooling.

Sustainability criteria for biofuels, bioliquids and biomass fuels

40%

The Renewable Energy Law introduces sustainability and GHG emission savings criteria for biofuels, bioliquids and biomass fuels, and sets out rules for their verification. However, the secondary legislation to be adopted by the competent minis-

tries responsible for energy, environment and the fuel sector is still pending. Its adoption is essential to bring Kosovo*'s legal framework into compliance with REDII and to enable full implementation of the sustainability criteria provisions.

Renewable energy in heating and cooling

83%

Kosovo* has a well-established legal framework for the integration of renewable energy in the heating and cooling sector through the Renewable Energy Law. While infrastructure projects are being implemented to integrate renewable energy into district heating, there has been no comparable progress for individual heating technologies. Continued reliance on electricity-based heating, largely supplied from lignite, hinders decar-

bonisation of the sector while also placing additional pressure on the grid.

It remains necessary, therefore, to implement dedicated measures for the roll-out of efficient renewable-based individual heating solutions, particularly heat pumps.



ENERGY EFFICIENCY IMPLEMENTATION

64%



2030 Energy efficiency targets and policy measures

38%

The targets have not been established in the relevant laws and the final NECP has not been notified. The 2030 energy efficiency targets outlined in the draft NECP are aligned with the 2030 targets established by the Energy Community. This alignment also applies to specific targets related to the implementation of Articles 5 and 7 of 2012 Energy Efficiency Directive (EED).

While Kosovo* has achieved important progress in financing and implementation of energy efficiency projects in the residential and service sectors, the legislative reforms are lagging

behind. The drafted amendments to the Energy Efficiency Law and implementing legislation need to be adopted to transpose and implement the 2018 EED under the Clean Energy Package.



2030 EE PEC Target
2,70 Mtoe



2030 EE FEC Target
1,80 Mtoe



Energy efficiency in buildings

89%

In 2023, the buildings sector remained the largest contributor to final energy consumption in Kosovo*, accounting for 47%, with households alone representing 35%.

In May 2024, amendments to the Law on the Energy Performance of Buildings were adopted, transposing Directive (EU) 2018/844 under the Clean Energy Package. The Government is currently updating relevant by-laws and finalising the energy performance calculation software to support implementation.

The national registry for energy efficiency in buildings has recently undergone initial testing through the issuance of pilot energy performance certificates.

The implementing regulation and the long-term building renovation strategy remain to be adopted.



Energy efficiency scheme and financing

73%

The 2018 Law on Energy Efficiency established national obligations and targets, but full implementation remains pending. Amendments to align the law with the updated 2018 EED—reflecting more ambitious targets and addressing key implementation challenges—have yet to be adopted.

In 2025, the Kosovo Energy Efficiency Fund (KEEF), with continued support from the EU and international partners, remained central to advancing energy efficiency financing across both

residential and public sectors. Notable progress was achieved through targeted subsidies for individual households.

A second public call for residential buildings, launched in August 2024, resulted in over 1570 signed agreements and more than EUR 5,7 million disbursed by September 2025. Investments in public sector buildings also progressed, with KEEF further supporting municipalities by signing additional Energy Service Agreements.

In January 2025, Kosovo* secured a EBRD loan to strengthen KEEF's capacity to implement energy efficiency measures in public buildings at both local and central government levels. This project includes a feasibility study for 400 buildings across all municipalities in Kosovo*.

In cooperation with the United Nations Development Programme (UNDP), KEEF also developed a new financing mech-

anism aimed at supporting energy-poor households, helping to reduce energy poverty through tailored efficiency interventions.

Although regulations on energy-efficient public procurement, energy service companies (ESCOs) and energy performance and supply contracts are in place, they need to be updated to reflect the revised EED and forthcoming amendments to national law.

Energy efficiency products - labeling

53%

No progress was recorded in this area. Kosovo* has yet to adopt and implement the revised Framework Labelling Directive and its delegated regulations, including the rescaled energy

labels, as required under the Ministerial Council Decision of December 2022.



Efficiency in heating and cooling

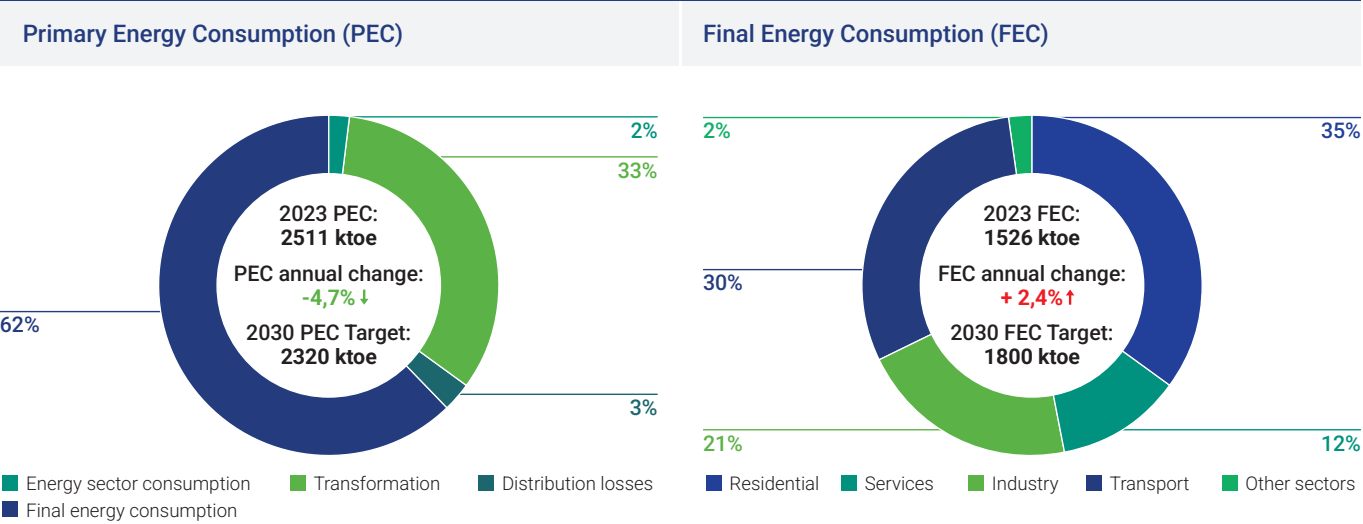
70%

Kosovo* has made no further progress in implementing measures to enhance efficiency in the heating and cooling sector. While legislation enabling consumption-based billing is in place and Termokos in Pristina has applied it to around 17.000 of its 25.000 consumers, in Gjakova the system has not yet been rolled out in practice, despite preparations undertaken through awareness campaigns and the issuance of test invoices over the past year. The feasibility study for district heating develop-

ment in eight cities, finalised in 2024 and prepared with regard to Article 14 requirements, provides an important basis for implementing new infrastructure projects.

It remains crucial that the Government acts on the positive outcomes of this analysis and moves forward with the implementation of projects to support the expansion of efficient district heating infrastructure.

2023 Energy Efficiency Indicators and Trends



Energy intensity, 2023 value and trends: 0,37 ktoe/mil EUR, - 7,9% ↓

Source: Eurostat database, draft NECP and 2022 Ministerial Council Decision



EMISSION TRADING SCHEME (MONITORING, REPORTING, VERIFICATION AND ACCREDITATION)

6%



Foundations, institutions, permits

17%

Kosovo* transposed some of the basic definitions from the EU Emissions Trading System Directive and the list of GHG as part of the Law on Climate Change, adopted in 2024. Other elements, including the concept of a GHG permit, corrective actions in the event of non-compliance and the list of activities covered by the monitoring and reporting requirements, were not transposed.

The first draft of the climate law update, containing the basic principles and structures of the monitoring, reporting, verification and accreditation (MRVA) system, has been prepared, as

has a draft regulation containing a list of activities covered by the new obligations; however, these have not yet been adopted.

The implementation of the monitoring, reporting, verification, and accreditation system will require the creation of appropriate national institutional structures, the development of adequate expert resources within them, the establishment of procedures and electronic templates and identification of all entities subject to new GHG monitoring and reporting obligations.



Monitoring and reporting

0%

Kosovo* has not transposed the Monitoring and Reporting Regulation into national law. As a result, processes related to monitoring and reporting of GHG emissions at the level of entities have not been implemented. The implementation of the monitoring and reporting mechanism, in addition to the transposition of the necessary legislation, will require the creation of the

necessary processes, e.g., setting the deadline for submitting applications for GHG permits, forms and templates related to the emission monitoring plan, and the creation of appropriate measures to ensure the fulfillment of obligations by the regulated entities.



Verification and accreditation

0%

Kosovo* has not transposed the Accreditation and Verification Regulation into national law and has not appointed any institution as national accreditation body for GHG accreditation purposes. Internal discussions with the Kosovo Accreditation Directorate have been initiated to define the institutional setup for future GHG accreditation, in line with EU best practices. Full

implementation will require building up the necessary human resources at the National Accreditation Body, creating the necessary internal procedures and processes for accreditation, and developing the necessary national electronic forms, such as the annual emissions report and verification report.



Ensuring energy security

Kosovo*



ELECTRICITY SECURITY OF SUPPLY

60%

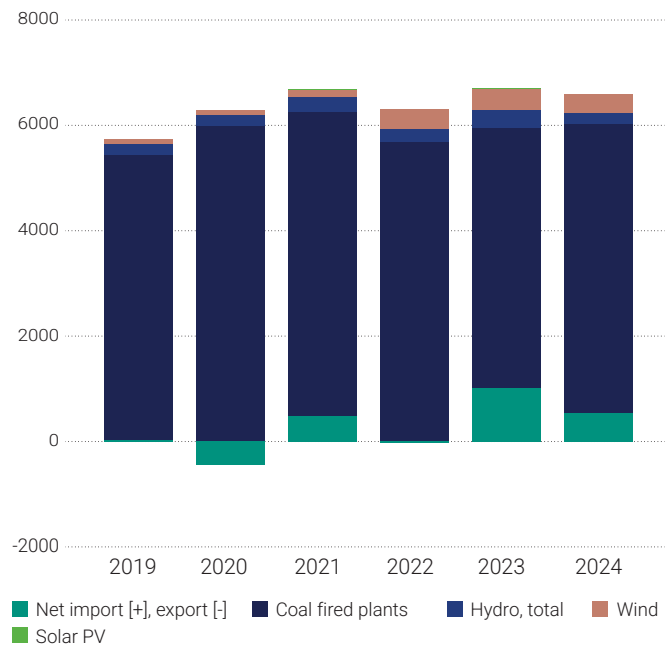
Regulation (EU) 2019/941 has not yet been transposed. The draft Law on Energy and the draft Law on Electricity, reviewed by the Secretariat in October 2024, are intended to transpose Regulation (EU) 2019/941 and designate the State Emergency Committee as the competent authority for risk preparedness in the electricity sector. However, no further progress has been reported on the adoption of these laws.

The transposition of Regulation (EU) 2017/2196 also remains pending.

The most recent Security of Supply Statement, covering the period 2021–2022, was published in March 2024, but has not been submitted to the Secretariat.

Kosovo* adopted the Law on Cybersecurity in February 2023, which is partially aligned with the Directive on Security of Network and Information Systems (NIS2). This law establishes basic principles, roles and responsibilities for public bodies, promotes inter-institutional cooperation and foresees the creation of a cybersecurity agency within the Ministry of Internal Affairs. Kosovo* has defined the National Cyber Security Strategy 2023–2027 and continues to improve its cybersecurity capacities. A national Computer Emergency Response Team (CERT) for energy is planned, based on the Energy Strategy, the Digital Agenda for Kosovo and the Cybersecurity Strategy.

Fuel mix and primary supply of electricity (in GWh)



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



GAS SECURITY OF SUPPLY

n.a.

Kosovo* is exempted from application of the Gas Security of Supply and Storage Regulations under a derogation. Security of supply rules are in place.



OIL SECURITY OF SUPPLY

0%

In Kosovo*, the draft Law on Compulsory Oil Stockholding, initially expected to be adopted in 2024 or before the general elections in February 2025, is still pending. Currently, no procedures exist to release emergency oil stocks, and no data have been submitted for MOS Oil or the monthly COIR questionnaire.

No progress was made during this reporting period, leaving Kosovo* non-compliant with the oil acquis. In 2024, the Secretariat issued a Reasoned Request to the Ministerial Council regarding the country's failure to transpose the Oil Stocks Directive.



Improving the environment

Kosovo*



Environmental assessments

37%

Kosovo* has yet to achieve full compliance with the Environmental Impact Assessment (EIA) Directive, as the adoption of the Administrative Instruction, intended to enhance access to environmental information and strengthen public participation, remains delayed, creating significant gaps in implementation and enforcement. Authorities continue to struggle with fulfilment of obligations under the EIA Directive. The partial transposition into secondary legislation of requirements for expert review of EIA reports, together with persistent institutional weaknesses, continue to hinder the timely and effective assessment of EIA submissions, raising serious concerns regarding compliance, transparency and the overall effectiveness of environmental governance. During the reporting period, all 400 MW photovoltaic power plant projects in Kosovo* underwent an EIA. However, two HPP projects, Bistrica River and Lepencë River, were not subjected to an EIA. Challenges and disputes related to approved hydropower developments that bypassed a proper EIA process remain unresolved, including in areas such as Deçan and Shtërpçë/Strpçe. Kosovo* reported that the EIA process, along with related assessments such as biodiversity/appropriate assessment and water impact assessment, is co-ordinated by the Ministry of Environment, Spatial Planning and Infrastructure. While Kosovo* indicated that the EIA is integrated into the development consent procedure, in practice it remains

PERMIT STATUS:



Streamlined assessments initiated

fragmented, limiting effective coordination and the proper incorporation of reasoned conclusions and environmental conditions into final decisions. In Kosovo*, no exemptions under Article 2(4) or Article 2(5) of EIA Directive were granted during the reporting period. In addition, as no procedures for Projects of Energy Community Interest were implemented, no information was required under Article 4 of Decision 2016/12/MC-EnC.

The development of secondary legislation required to ensure the full and effective implementation of the consultation process in the Strategic Environmental Assessment (SEA) remains incomplete. The SEA procedure for the draft National Energy and Climate Plan (NECP) was initiated late and lacked a structured consultation framework. While the Secretariat has supported national authorities in launching transboundary consultations on the draft NECP, the continued absence of an adopted plan and SEA has exacerbated delays and undermines the effectiveness and compliance of the overall SEA process.



Large combustion plants

37%

Kosovo* complied with its emissions reporting obligations for the 2024 reporting year. Absolute emissions of all three pollutants increased in the reporting year, meaning that compliance with the NERP ceilings remains unattainable. The temporary compliance with the ceilings for sulphur dioxide recorded in the 2023 reporting year could not be repeated. The significant

breaches of the ceilings for nitrogen oxides and dust remain unaddressed; in particular, for dust, the level is non-compliance is at record high due to the decreasing ceiling. Consequently, the related decision by the Ministerial Council remains unaddressed. Despite the existing refurbishment plans of the thermal power plants, compliance in the near future remains unrealistic.

Installations under the Large Combustion Plants Directive



5

of plants falling under the LCPD



0

of which opted out plants

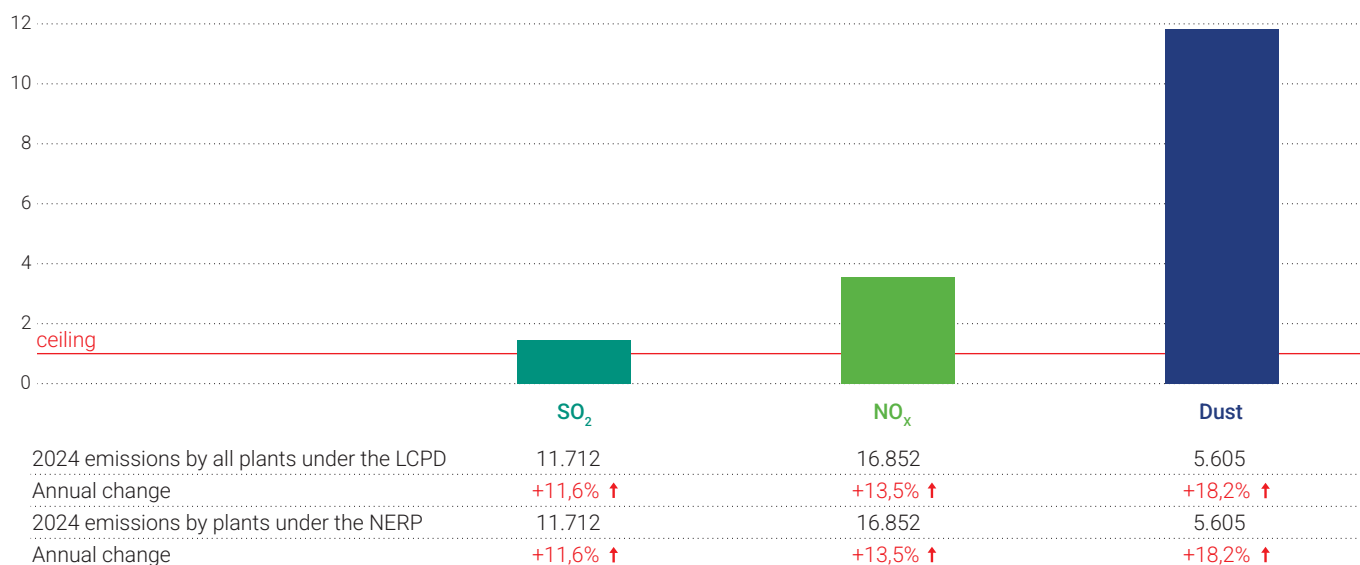


5

of which plants falling under the NERP

Source: compiled by the Energy Community Secretariat

2024 emissions versus NERP ceilings



Source: compiled by the Energy Community Secretariat

Sulphur in fuels

92%

No changes were made to the transposing legislation in the last reporting year. Quality control of the fuels falling under the scope of the Sulphur in Fuels Directive, as well as their sampling and analysis, is carried out by the customs authorities at

border crossing points. However, no information on the nature and frequency of sampling was provided. The Directive's provisions on marine fuels do not apply to Kosovo*.

Nature protection

27%

The new Law on Nature Protection is being drafted by a working group supported by EU4GREEN project experts, who are incorporating feedback from public consultations and ensuring alignment with the EU acquis and relevant Kosovo* legislation. However, no clear timeline for adoption has been established due to ongoing political crises. Under the current Law No. 03/L-233 on Nature Protection, procedures for appropriate assessment are only partially aligned with the Wild Birds Directive and the Habitats Directive. In practice, these assessments are carried

out through the EIA process, rather than following the specific mechanisms set out under the appropriate assessment framework. Kosovo* continues to lack a comprehensive inventory of wetlands, which is a prerequisite for establishing legal protection for Ramsar sites. In addition, no progress has been made in developing a management plan for the artificial special protection area for birds, referred to as "Henc". The management of monuments of nature also remains a challenge due to insufficient financial resources.

Environmental liability

0%

Kosovo* has not yet transposed the Environmental Liability Directive and no changes were reported during the reporting

periods. The Ministerial Council established this breach at its 2023 meeting, but the issue remains unaddressed.



Performance of authorities

Kosovo*



REGULATORY AUTHORITY

81%

Legal setup and independence

The designation and independence of Kosovo's Energy Regulatory Office (ERO) are governed by sectoral laws and the Law on the Energy Regulator, adopted in 2016. ERO is established as an independent agency, legally and functionally separate from any other public or private entity. It operates independently within its statutory tasks and competencies. ERO submits its annual report to the Assembly, but no approval is required. The current legal setup underpinning ERO's independence is largely in line with the Energy Community acquis.

The ERO board consists of five members, including chairman, appointed by the Assembly. Clear, published and objective criteria for appointment of board members are set out in the legislation. The member serves a five-year term, renewable once. The end date of the term of office of the board members cannot be same for all members. Early dismissal is narrowly circumscribed by law, with the Assembly empowered to make a decision upon proposal by the Government. During the reporting period, the board functioned with its full composition of five members.

ERO is empowered to make independent decisions; these take effect immediately and cannot be overruled by any administrative or political body. Following ERO's decision on retail market liberalisation in early 2025, ERO faced multiple attempts to overturn it via courts of various instances. During the reporting period, around 170 court cases were filed; all were rejected, with the court upholding ERO's decision as fully lawful, with some cases remaining under consideration by the Constitutional Court.

ERO is financially independent, with its budget funded primarily through regulatory fees. However, in practice, ERO's full autonomy in budget utilisation is limited. ERO's accounts are held in the Treasury and the Ministry of Finance plays a significant role in approval of ERO's budget, which is provided in the form of a Government grant. The Ministry of Finance may require audits of ERO's accounts and financial activities. Annual fees are set to ensure ERO's financial self-sustainability and are capped at 2% of the gross turnover of liable energy enterprises.

ERO has the authority to impose penalties under the Law on the Energy Regulator and the secondary legislation on fines and sanctions, including under REMIT. Penalties may include written warnings or financial fines for violations. For energy enterprises, fines may reach up to 10% of the previous fiscal year's revenues, while for individuals, penalties may be up to 300% of the month-

ly salary. In cases of repeated violations, fines may be tripled. All revenues from fines are transferred to the state budget.

ERO's staff structure, functions and competences are defined by internal regulations adopted by its board in accordance with the Law on the Energy Regulator. The board is responsible for organising recruitment procedures, approving remuneration policies, setting salaries and supervising the work of staff. In practice, however, the application of the Law on Public Sector limits ERO's autonomy in setting salary levels for its employees, resulting in remuneration that is generally lower than industry standards. No staffing changes are currently planned to address new regulatory tasks arising from transposition of the Electricity Integration Package (EIP).

ERO regulates electricity, natural gas and thermal energy. ERO also has authority over generation of renewable energy sources (RES), in particular guarantees of origin (GO), authorisations for construction of new generation capacities and self-consumption facilities. In November 2024 Association of Issuing Bodies granted the Electricity Scheme Observership to ERO as the designated issuing body for GOs in Kosovo*.

The Energy Community's EIP has not yet been transposed in Kosovo*. Accordingly, ERO is not yet fully empowered to perform all regulatory tasks under EIP provisions.

Activities in the electricity sector

During the reporting period, ERO advanced retail market liberalisation, effective from 1 June 2025, by requiring customers not eligible for universal supply services to procure electricity competitively, fulfilling long-standing legal obligations under the Energy Community acquis. Regarding market design and RES development, ERO approved the maximum fixed price for wind auctions, set maximum and minimum clearing prices and bidding orders for day-ahead and intraday markets, issued reserve procedures for Albania–Kosovo* day-ahead and intraday market coupling, and adopted a methodology for distributing congestion revenues between Albania and Kosovo*.

Regarding tariffs and methodologies, ERO amended the Rule on Principles for Determining Tariffs for Use and Connection to the Distribution System, approved the methodology for the designated electricity market operator, set regulatory parameters for the universal service supplier, approved ALPEX tariffs and endorsed reports on maximum allowed revenue and tariffs for

the TSO, DSO and universal service supplier. In system planning and security of supply, it approved the TSO's and DSO's ten-year and five-year development plans and conducted the tender for the supplier of last resort, designating KEK for a period of six months. To foster competition and flexibility, the regulator approved the market rules procedure for pre-qualification of balancing service providers and issued new licences for electricity supply and trading.

Finally, to support deployment of renewables, ERO granted multiple authorisations for new solar generation and approved around 400 prosumer self-consumption solar requests totalling 11,3 MW, of which 100 applications for 4,7 MW followed retail market liberalisation in the last three months. One REMIT case is under investigation by ERO, marking the first investigatory process under REMIT.

COMPETITION AUTHORITY

48%

Legislative framework

Kosovo's Law on Protection of Competition contains a prohibition of anti-competitive agreements and concerted practices as well as a prohibition of abuse of dominance, largely in line with the Energy Community acquis. However, the prohibition of anti-competitive agreements is limited to agreements aimed at preventing, restricting or distorting competition, while Article 18 of the Treaty also prohibits any agreements which have such effect. This discrepancy severely narrows the scope of the prohibition. Secondary legislation remains fragmented. Hence, the law needs to be amended in order to align with Energy Community law.

Institutional framework

The Law on Protection of Competition establishes the Competition Authority of Kosovo* (KCA) as an independent authority responsible for the protection of competition. The KCA consists of five commissioners, supported by 28 staff members. KCA has not been fully operational, as two positions were vacant and appointments were severely delayed; in addition, one commissioner has been affected by a conflict of interest, preventing consideration of some cases filed by KEK (the largest electricity producer in Kosovo*) due to a lack of quorum. In order to ensure the proper functioning of KCA, timely and competitive selection and appointment procedures must be implemented.

KCA has the investigative powers to conduct unannounced inspections at companies and private premises, as well as to issue requests for information and conduct interviews to gather evidence; furthermore, a leniency programme to report illegal

behaviour is in place. Moreover, it has the power to order cessation of illegal practices and to impose remedies (including interim measures and commitments) and fines.

Implementation

While KCA holds all necessary powers, it does not fully use them, as indicated by the activities below during the reporting period:

Activity in the reporting period	In the energy sector
On-site inspections (at companies or private premises)	0
Requests for information	1
Leniency applications	0
Opening of investigation	0
Decisions on anti-competitive agreements and concerted practices	0
Decisions on abuse of dominance	1
Sector inquiries and market studies	0

KCA's single decision in the energy sector during the reporting period concerned an exclusionary abuse of dominance by Hydro-Economic Enterprise "Ibër Lepenc" SH.A. The undertaking was found to have imposed unfavourable conditions (auction criteria: high turnover thresholds, technical requirements, balancing responsibility) on other undertakings in the relevant market, while favouring one particular undertaking, thereby precluding other undertakings from entering the market. KCA imposed an administrative fine in the amount of approximately EUR 40.000.



STATE AID AUTHORITY

35%

Legislative framework

Kosovo's system for State aid control is governed by the Law on State Aid, which establishes a general prohibition of State aid and sets out grounds for compatibility, largely in line with

the Energy Community acquis. Additionally, an extensive list of secondary acts is in place, providing guidance on specific processes and types of aid. Amendments to the law are prepared for further alignment of the provisions with EU rules.

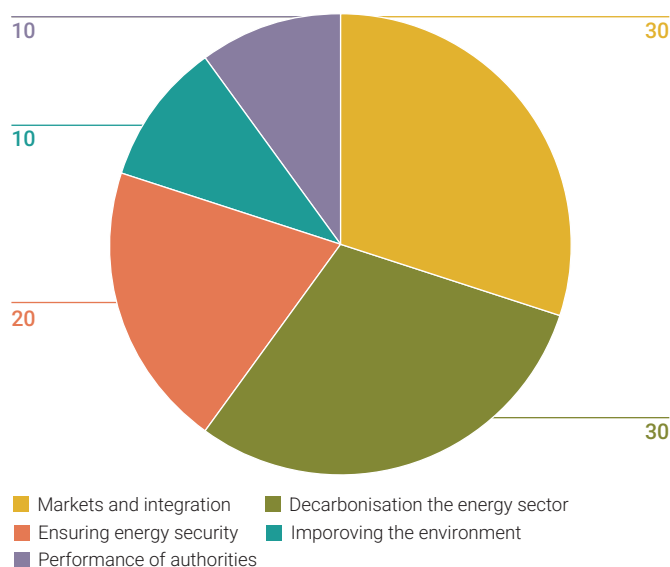
Methodology

Background

For its assessment underpinning the findings of this report, the Secretariat used specific indicators for the assessment of implementation, and a methodology to calculate the summary indicators and the overall implementation score.

The implementation indicator tables are based on a methodology quantifying the Contracting Parties' success in transposing and implementing the acquis and having in place effective institutions. It is based on standardised assumptions and evaluations, cases under the Energy Community's dispute settlement mechanism, country missions, review of legislation, market analysis, expert interviews and desk research. The quantification of all figures used to measure implementation was performed by experts of the Energy Community Secretariat.

The final dataset entailed more than 2.000 individual values that were used to produce 40 key implementation indicators across the areas of work assessed by this Implementation report. To underscore the Energy Community's dedication to advancing towards a cleaner and more integrated energy market, the Report groups the 40 indicators in five clusters.



In 2025 the weighting of the five clusters remains unchanged, allowing for clearer identification of improvements and trends over time.

Implementation assessment

The implementation assessment is based on a system of performance indicators aggregated at several levels.

A total of **40 implementation indicators** aggregated per each Contracting Party across the areas of work: electricity, gas, oil, governance and climate, renewable energy, energy efficiency, emission trading scheme, environment, climate, including national regulatory, competition, State aid and statistics authorities. Aggregation is based on the weighting explained in the table below, and results presented for each Contracting Party (chapters 6-14);

Five cluster implementation indicators aggregating the values at cluster level: Markets and integration (10 indicators), Decarbonising the energy sector (18 indicators), Ensuring energy security (3 indicators), Improving the environment (5 indicators), Performance of authorities (4 indicators).

Summary indicators – the overall implementation score for each Contracting Party and overall (average) implementation score for the Energy Community calculated based on the weighting explained in the table below, and presented on page 8.

All of the values are normalised to percentages between 0% and 100%, where 100% implies full implementation.

For the Contracting Parties where certain indicators are not applicable (for example due to the lack of a gas market in Kosovo* and Montenegro), these indicators were not taken into account in the overall score, but the remaining indicators were increased in weight, where justifiable.

To sharpen the reporting and evaluation focus, one decarbonisation indicator (governance and climate) was removed from the 2025 assessment.



DISCLAIMER

The present assessment is not designed to be a comprehensive study of the legislative and institutional framework or law-enforcement in the Contracting Parties, but rather serve as a succinct overview. In no way it should be relied upon for the purposes of adoption of any investment/business decisions or policy-making.

Implementation indicator structure and weighting

Indicator name	Indicator weight
Overall Implementation Indicator	1,00
1 Markets and integration	0,30
1.1 Electricity	0,50
Wholesale market	0,20
Retail market	0,20
Unbundling	0,10
Access to the system	0,20
Regional integration	0,30
1.2 Gas	0,50
Wholesale market	0,20
Retail market	0,20
Unbundling	0,25
Access to the system	0,25
Regional integration	0,10
2 Ensuring energy security	0,20
Electricity	0,04
Gas	0,04
Oil	0,02
3 Decarbonising the energy sector	0,30
3.1 Governance and climate	0,30
National Energy and Climate Plans (NECPs)	0,25
Greenhouse gas 2030 target	0,25
National systems for climate reporting	0,25
Long-term strategy and climate neutrality	0,25
3.2 Renewable Energy	0,30
2030 renewable energy targets	0,20
Quality of support schemes	0,20
Self-consumption and energy communities	0,15
Guarantees of origin	0,15
Sustainability criteria for biofuels, bioliquids and biomass fuels	0,15
Renewable energy in the heating and cooling sector	0,15
3.3 Energy Efficiency	0,30
2030 energy efficiency targets and policy measures	0,20
Energy efficiency in buildings	0,20
Energy efficiency scheme and financing	0,20
Energy efficient products - labelling	0,20
Efficiency in heating and cooling	0,20
3.4 Emission Trading Scheme (Monitoring, Reporting, Verification and Accreditation)	0,10
Foundations, institutions, permits	0,33
Monitoring and reporting	0,33
Verification and accreditation	0,33
4 Improving the environment	0,10
Environmental impact assessment (EIA) and strategic environmental assessment (SEA)	0,30
Sulphur in fuels	0,15
Large combustions plants and industrial emissions*	0,30
Nature protection	0,15
Environmental liability	0,10
5 Performance of authorities	0,10
Regulatory authority	0,60
Competition authority	0,10
State aid authority	0,10

* in the case of Albania, the "Large combustions plants and industrial emissions" indicator is omitted from the final result as the Contracting Party does not have any plants in operation