



Policy framework for REC and NBS implementation

Analysis of the European and national regulatory framework

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Policy and Instruments for Energy Transition

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- **NRGCOM Project** – Creating appropriate operational conditions for renewable energy communities in the Danube Region
- **Activity 1.1 – International comparison of national legal systems**
- PPs analysed and compared the national legal systems to draw parallels between the characteristics of the legal framework on energy communities, taking into account the competence of laws and regulations, the conditions of the establishment, and the forms of the operation allowed in order to identify similarities and differences and areas for improvement, as well as to contribute to the legal feasibility of energy communities in the Danube Region
- **12 countries of the Danube region** – Austria, Bulgaria, Czech Republic, Croatia, Germany, Hungary, Moldova, Romania, Serbia, Slovakia, Slovenia and Montenegro
- June 2024



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The **European Union** has introduced the concept of energy communities into its legislation, in particular civil (CEC) and renewable energy communities (REC) through *the Clean Energy for All Europeans* package adopted back in 2019. These concepts were elaborated in European Union legislation in order to deliver the objective to empower all consumers across the EU in Europe's energy transition and put them at the centre of the Energy Union.

The *Directive on Common Rules for the Internal Market in Electricity ((EU) 2019/944)* contains new rules that allow active participation of consumers, individually or through civil energy communities, in all markets, either by producing, consuming, sharing or selling electricity, or by providing flexibility services through demand response.

Also, the revised *Renewable Energy Directive (2018/2001/EU)* aims to strengthen the role of renewable energy consumers themselves and renewable energy communities



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With that in mind comparison of the development of energy communities for all 12 countries in the Danube region is done based on the 3 criteria which have more general character:

- **Readiness of the legal framework:** All EU member states have successfully transposed requirements of relevant EU directives into national legal framework. However, in some countries still there is a lack of the secondary regulation that closer regulates different aspects of energy communities such as access to the grid, energy sharing etc. which has negative impact on the implementation into practice. In other countries legal framework is still under development and transfer of knowledge from EU countries could play important role and facilitate overall process.
- **Availability of support:** In general, all EU member states have access to different funds for financing a promotion of the distributed RES production and promotion of energy communities, bearing in mind that this concept is introduced at EU level. Other countries have to establish supporting mechanisms in parallel with finalization of the legal framework.
- **Implementation into practice:** Considering the fact that the concept of energy communities is relatively new, implementation into practice requires time for setting up the framework and providing supporting mechanisms. In general, in the Danube Region, Germany and Austria are the two countries that have promoted similar concepts in the past and for them it is easier to adjust the legal setup to the newest requirements of the EU directives. Nevertheless, promotion of the energy communities has reached the advanced level also in some other countries which show high level of the readiness for implementation of such concept, such as Slovenia, Romania or Czechia.



No.	Country	Readiness of the legal framework	Availability of support	Implementation into practice
1.	Austria	Legal framework for REC and CEC is set; Single point of contact is defined as well as registration procedure; Conditions for connection to the grid are prescribed as well as tariffs for different categories	Support schemes for energy communities are available through different national and regional instruments supported from EU funds	Community generation facilities have been in place since 2017; Implementation shall be continued according to the new legal setup
2.	Bulgaria	REC recognized by the relevant laws; relevant by-laws are still under development	National scheme for RES in households is set	Only for prosumers in household sector

1.	Croatia	<i>Legal framework is in place;</i> <i>Categories of energy communities are defined as well as procedures for installation and connection to the grid</i>	<i>Funds for support of REC are available through different national instruments supported from EU funds</i>	<i>Implementation into practice is limited; The process of establishing of REC is complicated – improvement of quality and consistency of the legal framework is needed</i>
2.	Czechia	<i>New legal framework for energy communities is set recently (Jan 2024); procedure for registration, categories per installed capacities, as well as conditions for connection to the grid and tariff models are defined</i>	<i>Variety of financial mechanisms and technical assistance initiatives is available at national and regional level, supported form EU funds</i>	<i>Implementation in practice is limited; Enforcement of the new legal framework to be tested into practice; Improvement of the legal frameworks is envisaged with regard to the removing regional restrictions and improving of the sharing possibilities</i>



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1.	Germany	<i>Legal framework for energy communities is established – REC definition is implemented, CEC yet to be incorporated in the law; Procedures for setting up energy communities are defined.</i>	<i>Support schemes for energy communities are operational through different mechanisms at national or regional level such as feed-in tariffs and financial incentives</i>	<i>Concept of energy communities have been successfully implemented since 2005; Implementation shall continue following adjusted legal setup.</i>
2.	Hungary	<i>Legal framework is in place; Procedure for setting up of the REC are defined; Responsibilities of network and commercial service providers need to be defined; Improvement of energy sharing possibility is needed; Limitation for public entities to form/enter energy community to be resolved</i>	<i>Financial support to be straightened - rebates or other economic incentives to encourage the creation of communities.</i>	<i>Implementation into practice is limited due to the imperfection of the legal framework and lack of the financial support - only two registered energy communities in Hungary up to now.</i>



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1.	Moldova	<i>Legal basis for REC is set; comprehensive assessment for REC to be developed followed by the by-laws which will closer regulate different aspects</i>	<i>Recognized by the law - financing support mechanisms for REC to be established</i>	<i>To be implemented after completion of the legal framework</i>
2.	Montenegro	<i>Law on RES is under development which will regulate REC.</i>	<i>Programs for promotion of energy prosumers are in place; Financing support mechanisms for REC to be established</i>	<i>After adoption of the Law on Use of Energy from the Renewable Sources and relevant by-laws</i>



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1.	Romania	<i>Legal framework is set; Procedure for registration, rules for connection to the grid and the tariffs are defined.</i> <i>For wider acceptance of the concept more clarity on REC and CEC concept is needed in the law as well as in the by-laws which shall closer regulate deferent aspects</i>	<i>Funds for support of REC are available through different national and regional instruments supported from EU funds</i>	<i>Energy communities are implemented into practice to the certain extent;</i> <i>To be further promoted and supported through designed schemes</i>
2.	Serbia	<i>REC are recognized by the law and need to be closer regulated through the relevant by-laws</i>	<i>Supporting schemes envisaged by the law – to be further developed and implemented</i>	<i>To be implemented after completion of the legal framework</i>



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1.	Slovakia	Legal framework is set - single point of contact is defined as well as procedures for registration and connection to the grid	Supporting mechanisms for application of the energy communities to be further developed	Implementation is at an early stage - neither electricity sharing nor cooperation itself is yet feasible
2.	Slovenia	Legal framework for REC and CEC is set; Procedure for registration, conditions for connection to the grid as well as tariff models are defined	Support mechanisms for energy communities are in place through different national instruments supported from EU funds	Implementation is in progress; Local and regional energy agencies together with municipalities should play more important role in promotion of energy communities



Conclusions:

- ✓ Although all EU member states in the Danube Region have successfully transposed requirements of EU directives regarding energy communities into national legal framework, some of them still need to do adjustment with aim of clear distinction between CEC and REC. In addition, a few countries still need to develop bylaws which shall regulate different aspects of energy communities such as access to the grid, tariff models or energy sharing with aim of facilitation of the implementation into practice;
- ✓ Most of the EU member states in the Danube Region have set supporting mechanism for development of the energy communities thanks to the access to different EU funds for financing a promotion of the distributed RES production;
- ✓ In non-EU countries in the Danube Region, legal framework for energy communities is still under development as well as setting up supporting mechanisms which is important to be implemented in parallel. Taking into account delay in the implementation for those countries transfer of knowledge from EU countries could play important role and facilitate overall process of development of the energy communities.
- ✓ For most of the countries in the Danube Region, implementation of energy communities into practice is limited, except for Germany and Austria, which countries have successfully implemented similar collaborative concepts for energy generation in the previous period. Nevertheless, countries such as Slovenia, Romania or Czechia has demonstrated high level of readiness and expansion of the energy communities can be expected in the forthcoming years.





Thank you for your attention!

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