

ENERGY LAW

I GENERAL PROVISIONS

1. Subject matter of the Law

Article 1

The present Law regulates: energy policy objectives and method of policy achievement, energy market organization and functioning, conditions for regular and good quality energy supply to customers and for implementation of safe, reliable and efficient energy production, energy transmission, transportation and distribution systems operation and method of providing undisturbed functioning and development of these systems, conditions and method of performing energy activities, conditions for achieving energy efficiency and environmental protection in performing energy activities and monitoring of enforcement of this Law.

By the present Law the Energy Agency is established and the Energy Efficiency Agency constituted.

2. Energy activities

Article 2

Pursuant to the present Law the energy activities are:

- 1) Power generation, power transmission, power transmission system operation, electricity market organization, power distribution, power distribution system operation, trade in power;
- 2) Production of petroleum products, petroleum pipeline transport, petroleum products pipeline transport, transport of petroleum and petroleum products by other transportation means, petroleum and petroleum products storing, trade in petroleum and petroleum products;
- 3) Natural gas transport, natural gas transportation system operation, storing of natural gas, natural gas storage operation, natural gas distribution, natural gas distribution system operation, trade in natural gas;
- 4) Heat production, heat distribution, heat distribution system operation, heat supply to tariff customers;

3. Terms

Article 3

Terms used herein have the following meaning:

- 1) **Petroleum products** – liquid or gaseous fuels obtained through refining, final processing of petroleum, i.e. degasification (motor gasolines, diesel fuels, all types of fuel oils, jet engine fuels, all types of petroleum, petroleum coke, liquefied petroleum gas, etc.);
- 2) **Direct power transmission line** – transmission line connecting a producer to its own plants or an isolated customer facility, i.e. connecting a producer or deliverer to facilities of an eligible customer;
- 3) **Direct gas pipeline, petroleum product pipeline, i.e. heat pipeline** – a pipeline connecting a producer to a facility of an isolated customer of natural gas, liquid fuels, i.e. heat;
- 4) **Distribution** – transfer of energy via a distribution system for the purpose of delivering energy to customers, excluding supply;
- 5) **Energy carriers** – natural gas, petroleum, petroleum products, renewable and other energy sources;
- 6) **Energy** – (electricity) power, heat;
- 7) **Energy permit** – a permit for construction of energy facilities;
- 8) **Energy system** – energy facilities linked in such a manner that they form a unique technical-technological system;
- 9) **Energy entity** – legal person, i.e. entrepreneur registered for performing one or several energy activities;
- 10) **Delivery** – delivery of energy from facilities of one energy entity to a facility of another energy entity or customer;
- 11) **Eligible customer** – a customer meeting requirements stipulated herein, who buys energy for own needs and has a free choice of his energy supplier;
- 12) **Customer** – legal or physical person purchasing energy;
- 13) **License** – permit to conduct energy activities as stipulated herein;

- 14) **Renewable energy sources** – energy sources existing in nature, fully or partially renewable, particularly energy of water flows, wind, non-accumulated solar energy, biomass, geothermal energy, etc.;
- 15) **System operator** – energy entity performing the activity of transmission, transportation or distribution system operation, i.e. the activity of natural gas storage operation, and securing system services;
- 16) **Energy market operator** – energy entity performing activities of organizing and operating the energy market;
- 17) **Pressurized equipment** – gas pipelines, petroleum pipelines, petroleum product pipelines, heating pipelines, steam and hot water boilers and other equipment operating under pressure;
- 18) **Energy transmission, i.e. transport** - power transmission via connected systems with very high and high voltage to end consumers or distributors i.e. transport of gas, petroleum, petroleum products and heat from producers or other systems, i.e. from terminals to distribution systems or users, excluding supply;
- 19) **Connection to the system** - physical connection to the system whereby an energy facility or a customer's facility is connected to the transmission, transportation, i.e. distribution system;
- 20) **Access to the system** - use of the system for the purpose of transmission, i.e. transport, distribution, takeover and delivery of a contracted quantity of energy at the contracted time;
- 21) **Regulated access to the system or network** - principle of non-discriminatory access to the system in accordance with prescribed and publicly announced conditions;
- 22) **Ancillary services** – services necessary to secure safe, reliable and stable operation of an energy system;
- 23) **Supply** - purchase and sale of energy to customers or other energy entities;
- 24) **Energy supply of tariff consumers** – energy purchase and sale for the needs of tariff customers;
- 25) **Tariff customer** – a customer purchasing the energy for its own needs under the prescribed tariff system;
- 26) **Transit** - transmission, i.e. transport of energy through the territory of Republic of Serbia, originating from another country and intended for a

third country, or transmission, i.e. transport of energy through the territory of Republic of Serbia, originating from another country and intended for the same country;

- 27) **Transport of petroleum and petroleum products by other transportation means** - transport of petroleum, i.e. petroleum products by all means of transportation except by petroleum pipeline, i.e. petroleum product pipeline;
- 28) **Trade** – purchase and sale of energy (wholesale, retail and import and export) and mediation and representation on the energy market;
- 29) **Energy market** – organized trade in all types of energy on the territory of the Republic of Serbia.

II ENERGY POLICY AND ENERGY DEVELOPMENT PLANNING

1. Energy Policy

Article 4

The energy policy of the Republic of Serbia includes measures and actions to be taken for achieving long-term objectives in the energy sector, and particularly:

- 1) Safe, good quality and reliable supply of energy and energy carriers;
- 2) Balanced development of energy activities in order to provide necessary quantities of energy and energy carriers for meeting the needs of customers of energy and energy carriers;
- 3) Stimulation of market competition based on principles of non-discrimination, transparency, as well as stimulation of market competition;
- 4) Creation of conditions for the safe and reliable operation and functioning of energy systems;
- 5) Providing development of energy infrastructure and introduction of state-of-the-art technologies;
- 6) Providing conditions for enhancing energy efficiency in performing energy activities and energy consumption;
- 7) Creation of transparent, attractive and stable conditions for investments in construction, reconstruction and modernization of energy facilities and systems, as well as conditions for their connection to energy systems of other countries;

- 8) Creation of conditions for stimulating use of renewable energy sources and combined heat and power generation;
- 9) Enhancement of environmental protection;
- 10) Decentralization in planning and implementation of development programs in the energy sector.

The energy policy is pursued through the implementation of the Energy Sector Development Strategy of the Republic of Serbia, the Implementation Program for the above-mentioned strategy and the Energy Balance.

2. Energy Sector Development Strategy

Article 5

The Energy Sector Development Strategy of the Republic of Serbia defines: long-term development objectives of certain energy activities, development priorities, sources and methods of providing required quantities of energy, i.e. energy carriers, incentive measures for financial investments in energy facilities in which renewable energy sources will be used, incentive measures for enhancing energy efficiency, conditions and methods of providing environmental protection and measures for the implementation of that protection, as well as other elements vital to the achievement of energy policy objectives.

The Energy Sector Development Strategy of the Republic of Serbia (hereinafter: the Strategy) is to be harmonized with the Development Strategy of the Republic of Serbia, Spatial Development Strategy of the Republic of Serbia as well as the Strategy of Sustainable Use of Natural Resources.

The Strategy is passed by the National Parliament at the proposal of the Government of the Republic of Serbia for a period of at least ten years.

The Government of the Republic of Serbia monitors the implementation of the Strategy and initiates its adjustment to the actual needs for energy and energy carriers, if necessary.

The Strategy is published in the »Official Gazette of the Republic of Serbia«.

3. Strategy Implementation Program

Article 6

The Government of the Republic of Serbia passes the Implementation Program of the Energy Sector Development Strategy of the Republic of Serbia (hereinafter: the Program) at the proposal of the Ministry in charge of energy sector activities (hereinafter: the Ministry).

The Program defines: conditions, method and time schedule of the Strategy implementation, energy facilities which are to be constructed, and concessions to be granted for erection of energy facilities, considering the forecasted consumption of energy and energy carriers, energy efficiency, the possibility of using renewable energy sources, the possibility of using efficient technologies for production of energy and energy carriers, stimulation of investments in the energy sector, measures for environmental protection, as well as other elements vital to the Strategy implementation.

The Program is passed for a period of six years and is updated in accordance with actual needs for energy and energy carriers at least every second year.

The competent body of the Autonomous Province proposes a part of the Implementation Program of the Energy Sector Development Strategy for its territory in conformity with the Provincial Development Plan, which is an integral part of the Implementation Program of the Energy Sector Development Strategy of the Republic of Serbia.

At request of the Ministry, the competent body of the Autonomous Province shall submit a proposal of the part of the Program for the territory of the Autonomous Province within 30 days from the date of request submission.

At request of the Ministry i.e. the competent body of the Autonomous Province, energy entities, the Energy Agency, ministries in charge of certain areas, competent bodies of the Autonomous Province and competent administrations of the local self-government units are obliged to submit data for the development of the Program within 30 days from the date of request submission.

The data request referred to under Paragraph 6 of this Article includes the type of data, the period to which the data are related, the manner of data submission, as well as other elements required for developing the Program.

4. Development Plans

Article 7

The Autonomous Province and local self-government unit pass Energy Development Plans which define energy needs within their area, as well as terms and conditions of providing necessary energy capacities in compliance with the Strategy and the Program.

At the request of competent bodies of the Autonomous Province and local self-government unit, energy entities are obliged to submit data for the creation of development plans referred to under Paragraph 1 of this Article to the Autonomous Province and local self-government unit within 30 days from the date of request submission.

The data submission request referred to under Paragraph 2 of this Article includes the type of data, period to which the data are related, the manner of data submission, as well as other elements required for developing the plans.

5. Energy Balance

Article 8

The Energy Balance of Republic of Serbia (hereinafter: Energy Balance of the Republic) defines annual needs for energy, i.e. energy carriers which need to be provided for a regular and continuous supply of consumers, respecting the requirements for rational energy consumption and energy carriers and sustainable development, sources for providing required energy, i.e. energy carriers, manner of supply of certain types of energy and energy carriers, required level of stocks and reserve capacities of energy facilities for a secure supply of energy and energy carriers to customers.

Article 9

The Energy Balance of the Republic is passed by the Government of the Republic of Serbia, at the proposal of the Ministry, not later than by the end of October of the current year for the following year.

The competent authority of the Autonomous Province proposes the part of the Energy Balance of the Republic referring to the Autonomous Province not later than by the end of September of the current year for the following year.

The Ministry, i.e. competent authority of the Autonomous Province monitors the implementation of the Energy Balance and, if necessary, proposes measures to the Government of the Republic of Serbia in order to ensure its implementation.

At request of the Ministry, energy entities, the Energy Agency, ministries in charge of respective areas, authorities of the Autonomous Province and competent administrations of the local self-government units are obliged to submit data for the Energy Balance within 30 days from the date of request submission.

The data request referred to under Paragraph 4 of this Article includes the type of data, the period to which the data are related, the manner of data submission, as well as other elements required for developing the Energy Balance.

III ENERGY AGENCY

1. Founding and Legal Status

Article 10

The Energy Agency of the Republic of Serbia (hereinafter: the Agency) is established as a regulatory body for performing tasks of enhancing and directing the energy market development on the principles of non-discrimination and effective competition, of monitoring the implementation of regulations and energy systems operation codes, of harmonizing activities of energy entities on providing regular supply of energy and services to customers and their protection and equal position, as well as other activities stipulated by the present Law.

Article 11

The Agency is a legal person with rights, liabilities and responsibilities as stipulated by this Law, laws and other regulations regulating activities of companies, and by the Agency's Statute.

The head office of the Agency is located in Belgrade.

The Agency is liable for its obligations with funds at its disposal.

Article 12

Funds for the Agency founding and operation are provided from revenues obtained from license fees, a part of the tariff for access to systems and use of systems, as well as other revenues obtained from performing activities within its competency in compliance with the Law.

The Agency may receive funds from donations, except from donations from energy entities or persons related with these entities.

Revenues referred to under Paragraph 1 and 2 of this Article are determined in the annual financial plan of the Agency.

Article 13

The Agency is an independent legal person and is functionally independent from any government body, all energy entities and users of their products and services, as well as other legal and physical persons.

The Agency is independent in undertaking organizational and other activities which ensure the performance of its tasks prescribed by the Law.

Article 14

For the purpose of more efficient performance of activities within its competence, the Agency may organize the performance of activities from its scope of work through organizational units in places located outside its head office.

The Agency Council is to decide on organizing activities outside the head office of the Agency within the terms and conditions defined in the Statute.

2. Agency Activities

Article 15

The Agency performs following activities:

- 1) passes tariff systems for power and natural gas for tariff consumers, as well as tariff systems for access to and use of the energy transmission, transportation, i.e. distribution systems and of natural gas storage facilities and other services;
- 2) determines the methodology for defining tariff elements for the calculation of the price of power and natural gas for tariff customers, including prices of produced power, i.e. natural gas for tariff customers, as well as the methodology for calculating the price of heat produced in combined heat and power plants (CHP-combined heat and power production) and delivered to energy entities for supplying tariff customers with heat;
- 3) determines criteria and methods for determining costs of connection to the energy transmission, transportation and distribution system;
- 4) issues licenses for conducting energy activities and passes the act on license revocation, under conditions stipulated herein, except for activities of distribution and production of heat in district heating plants and keeps a register of issued and revoked licenses;
- 5) approves grid codes, the energy market code and operation code for natural gas storage systems;
- 6) decides upon lodged appeal on the access refusal by a transmission, transportation i.e. distribution system operator, decides upon lodged appeal on the connection refusal by an energy entity, i.e. failure to pass a decision upon submitted application for connection to the system, as well as upon lodged appeal on access refusal **by an** energy entity for natural gas storage;
- 7) determines the minimum annual energy consumption needed for obtaining the status of an eligible customer, determines the fulfilment of conditions

for obtaining the status of an eligible customer and keeps the register of eligible customers.

The Agency performs activities referred to under Paragraph 1, Item 4) and 6) of this Article as entrusted activities.

Apart from activities under Paragraph 1 of this Article the Agency also performs the following activities: monitors the implementation of tariff systems, collects and processes data on energy entities with reference to performing energy activities, monitors the behaviour of energy entities regarding separation of accounts and protection of customers and performs other activities defined in conformity with this Law.

Article 16

The Agency is authorized to request from energy entities data and documents necessary for conducting its activities stipulated by this Law. Energy entities are obliged to deliver this data to the Agency within eight days from the date of request for data submission.

Pursuant to law and other regulations, the Agency is obliged to preserve the confidentiality of commercial and other confidential business data, submitted to it for performing tasks within its competence.

3. Agency Management

Article 17

The Agency is managed by the Agency Council (hereinafter: the Council).

The Council consists of the President and four members elected among prominent experts in the energy sector and other sectors of significance for Agency operations.

Article 18

The President and members of the Council are elected by the National Parliament, at the proposal of the Government of the Republic of Serbia.

Persons elected for the President and members of the Council must be citizens of the Republic of Serbia with a university degree and at least 10 years of working experience on jobs and tasks in the field of engineering, legal or economic vocation.

The President and members of the Council and the Agency employees are entitled to rights and have obligations deriving from employment in compliance with the labour legislation in force.

Article 19

The term of office of the President and members of the Council is five years, providing that the same person can be elected again for the period of five years.

The first term of office of two Council members lasts three years, the first term of office of other two Council members lasts four years and the first term of office of the President lasts five years, which is determined by the Act issued by the National Parliament on election of the President and members of the Council.

Article 20

The Council passes the Statute, determines the organization of work, number and structure of employees, adopts the financial plan, business report and annual financial statement, decides on organizing work outside the Agency's head office, passes recommendations, instructions, guidelines and other general acts of the Agency, determines the amount of the fee for issuing licenses, decides on issues within the Agency's scope of work referred to under Article 15, Paragraph 1, Items 1), 3) and 7) of this Law and performs other tasks stipulated by the Law and the Statute.

The Government of the Republic Serbia gives approval on the Agency's Statute and acts under Article 15, Paragraph 1, Item 1) of this Law.

The Council reaches decisions by majority of the total number of the Council members.

The President of the Agency represents the Agency, manages the activities of the Council, organizes the work and manages Agency operations, proposes decisions and other acts passed by the Agency, has powers of a manager in relation to exercising the rights and obligations of employees and performs other tasks stipulated by law and the Statute.

Article 21

The President and the Council members are liable for the Agency operation and their own work to the National Parliament of the Republic of Serbia and submit the Report on the Agency operation at least once a year.

The Report referred to under Paragraph 1 of this Article includes in particular the Report on financial operation verified by independent auditor and the Financial Plan for the next year.

Article 22

The Financial Plan defines total revenues and expenditures of the Agency, including a contingency fund, as well as elements for determining salary expenses.

Total expenditures of the Agency covered by the Financial Plan, including the contingency fund shall not exceed costs required for the successful fulfilment of tasks within the Agency's competence.

Should annual accounting of revenues and expenditures of the Agency show that total Agency revenues exceed total effected expenditures, the balance is transferred into the Financial Plan as revenue for the following year, whilst revenue sources and amounts for the following year are adjusted to actual Agency's expenditures for that year.

The National Parliament approves the Financial Plan.

The Financial Plan is submitted to the National Parliament by the end of October of the current year for the following year.

The Financial Plan, after winning National Parliament's approval, is published in the "Official Gazette of the Republic of Serbia".

Article 23

The Agency is obliged to ensure transparency of its operations and accessibility of information to interested entities having business and other legal interest, and which as per the law or Agency's Statute is not of confidential nature.

The Agency is obliged to publish in the "Official Gazette of the Republic of Serbia" acts referred to under Article 15, Paragraph 1, lt. 1), 2), 3) and 7) of this Law as well as other acts in conformity with the decision made by the Council.

Article 24

Neither members of the Parliament of Serbia and Montenegro, the National Parliament, members of the Parliament of the Autonomous Province, members of local parliaments, other elected and nominated persons nor members of bodies of political parties can be elected for the President or members of the Council.

Owners and co-owners of energy entities, persons whose spouses or children or direct-line relatives regardless of consanguinity degree who are owners or co-owners of energy entities cannot be elected for the President and Council members.

Persons non-appealably sentenced for criminal acts against official duty, corruption, fraud or other criminal acts which make them inadequate to perform functions they are elected for, for which acts they were sentenced at an imprisonment for more than six months cannot be elected for the President and members of the Council.

The President and members of the Council cannot have earnings from energy entities.

The President and members of the Council, their respective spouses or children or direct-line relatives regardless of consanguinity degree cannot be members of the management of energy entities.

The National Parliament can, at the justified proposal of the Government of the Republic of Serbia, resolve the President or a member of the Council from duty only in the following cases:

- 1) if he/she is unable to perform his/her duties in the period longer than six months in a row, due to illness or some other reason;
- 2) if he/she is non-appealably sentenced to imprisonment for the period longer than six months or sentenced for the crime of abuse of office, fraud, corruption, theft or any other similar criminal deed making him/her unworthy of his/her office;
- 3) if it is established that, while determining the proposal for the Council members, the candidate gave false data about himself/herself or omitted to give data about circumstances important for determining the proposal for his/her election;
- 4) if, without good reason, he/she refuses or fails to perform the duty of the President or member of the Council in the period of at least three months in a row or in the course of one year in the period of at least six months with interruptions;
- 5) if it is established that during his/her term of office he/she broke the rules of conflict of interest established by the law.

IV MARKET AND ENERGY MARKET COMPETITION

1. Marketing Principles

Article 25

Activities on the energy market are performed and organized in accordance with the development objectives of the energy sector and customer needs in the Republic of Serbia for provision of good quality and secure energy

supply with respect of principles of competitiveness and equal legal status of all entities on the market in the process of enforcement of rights to construct an energy facility i.e. obtain energy permit for construction, system access rights, rights to perform energy activities, obtain the status of an eligible customer and other cases defined by this Law.

2. Energy Permit

Article 26

Energy facilities are constructed pursuant to the Law regulating spatial planning and construction of facilities, technical and other regulations, upon a previously obtained energy permit issued pursuant to this Law.

Article 27

An energy permit shall be obtained for construction and rehabilitation of the following facilities:

- 1) facilities for generation of power with an installed capacity exceeding 1 MW;
- 2) facilities for production of petroleum products;
- 3) direct power transmission lines, petroleum pipelines, petroleum product pipelines, gas pipelines and heating pipelines;
- 4) petroleum pipelines and petroleum product pipelines, facilities for petroleum storage and petroleum product reservoirs with a capacity exceeding 50 tons;
- 5) facilities for natural gas transportation; facilities for natural gas storage; facilities for natural gas distribution; facilities for storage of liquefied natural gas;
- 6) facilities for production of heat with an installed capacity exceeding 1 MW and facilities for heat distribution;
- 7) facilities for power transmission and facilities for power distribution with voltage exceeding 35 kV.

The energy permit for construction of facilities under Paragraph 1, It. 7) of this Article can be issued only to an energy entity that has a license for performing power transmission and distribution activities.

Article 28

An application for issuing an energy permit under Article 27, Paragraph 1, Item 1) - 6) of this Article may be submitted by domestic and foreign legal or physical persons.

An energy permit can be obtained before acquiring the ownership right, i.e. right to use the land on which the construction of an energy facility is planned and prior to the issuing of an act on city planning terms and conditions for construction of an energy facility, i.e. facility construction approval.

Article 29

Energy permits shall be issued by the Minister in charge of energy sector activities (hereinafter: the Minister).

An energy permit can be issued under the condition that the construction of an energy facility, for which the application for an energy permit is submitted, is in accordance with the Strategy and Program in terms of its type and purpose.

Energy facilities being constructed on the basis of a concession granted for the construction of an energy facility on a certain area as well as for the rehabilitation of an already existing energy facility do not require obtaining an energy permit in the context of this Law.

An energy permit shall be issued under the same conditions to domestic and foreign persons, in the manner and as per procedure stipulated by this Law and other laws, and in full respect of principles of non-discrimination and by applying objective and transparent criteria.

Issuing energy permits for the construction of facilities prescribed in Article 27, It. 6) of this Law is conferred to local self-government units, towns, i.e. City of Belgrade for construction of such facilities on their territory.

Article 30

Criteria for issuing energy permits for construction of production capacities particularly include:

- 1) conditions regarding safe and undisturbed functioning of the energy system;
- 2) conditions for location determining and land use;
- 3) conditions for environmental protection;

- 4) measures to protect human health and safety of people and property;
- 5) degree of energy efficiency;
- 6) conditions for use of primary energy sources;
- 7) conditions related to technical equipment and financial capability of applicants to construct energy facilities ;

Detailed criteria mentioned in the Paragraph 1 of this Article as well as criteria for issuing energy permits for other energy facilities for the construction of which the energy permits are issued in conformity with this Law, are passed by the Minister.

Article 31

An energy permit for the construction of direct power transmission lines, gas pipelines, petroleum pipelines, petroleum product pipeline or heat pipelines may be granted to an energy entity which performs the activity of producing power, petroleum products or heat for connecting its facilities to the facilities of eligible customers, isolated customers, as well as its own production facilities and other facilities of producers in order to supply those facilities with energy.

An energy permit prescribed under Paragraph 1 of this Article, can be also issued to an eligible customer who has been refused access to transmission, transportation or distribution system due to technical or other reasons, and under the conditions defined by the transmission, transportation and distribution system grid codes.

The issuance of an energy permit for construction of direct power transmission lines, gas pipelines, petroleum pipelines, petroleum product pipelines or heat pipelines may be denied if the construction would threaten the environmental protection objectives or security of energy supply of tariff customers due to its route, place where construction should take place or conditions of connection.

Article 32

An application for issuing an energy permit particularly includes following data:

- 1) the location on which the energy facility should be constructed;
- 2) the timeframe of completion of the energy facility construction;
- 3) the type and capacity of the energy facility and its energy efficiency;
- 4) energy carriers to be used in the energy facility;

- 5) the production process and manner of energy takeover;
- 6) environmental protection in the course of construction and operation of the energy facility;
- 7) terms and conditions related to cessation of the energy facility operation;
- 8) planned financial funds for energy facility construction and the method of providing those funds.

The Minister defines detailed content of the application for energy permits depending on the type and purpose of energy facilities, the procedure of energy permit issuing, as well as the content of the register of issued energy permits and the register of expired energy permits.

Article 33

The decision on issuing an energy permit is made within 30 days from the date of application submission, if requirements stipulated in this Law and regulations enacted in accordance with it are met.

An appeal against the decision referred to under Paragraph 1 of this Article may be lodged to the Government of the Republic of Serbia within eight days upon the date of receipt of the decision, or to the Ministry in the cases stipulated in Article 29, Paragraph 5 of this Law.

An energy permit shall be issued for a period of up to two years from the date of issuing the energy permit.

At request of the holder of an energy permit the Minister or competent body of local self-government unit, town or City of Belgrade, may extend the validity of the energy permit, for a maximum period of one more year, if requirements stipulated in this Law for issuing energy permits are met. An application for such an extension must be submitted at least 30 days before the validity expiration date of the energy permit.

3. Public Tender

Article 34

Construction of energy facilities which provide secure and regular energy supply can be approved upon conducting a public tender procedure, as well.

At the proposal of the Ministry, the Government of the Republic of Serbia decides on launching a public tender referred to under Paragraph 1 of this Article if by means of issuing energy permits the planned construction schedule of energy facilities determined by the Program cannot be met.

The invitation to such a public tender is issued by the Ministry or local self-government unit in conformity with the decision of the Government of the Republic of Serbia prescribed under Paragraph 2 of this Article.

Article 35

Provisions of the Law regulating concessions are applied to the public tender procedure for the construction of energy facilities.

The selection of the best bidder is made by the authority which issued the invitation to the public tender.

4. System Access and Transit

Article 36

An energy entity performing transmission, transportation or distribution systems, i.e. natural gas storage operation (hereinafter: system operator) is obliged to allow third party access to the system based on the principles of transparency and non-discrimination, in conformity with technical possibilities and depending on the load level of the transmission, transportation and distribution systems.

Use of system charges for transmission, transportation or distribution systems, i.e. natural gas storage are regulated and public.

Use of system charges prescribed under Paragraph 2 of this Article are determined by the system operator in conformity with the methodology for the calculation of these charges, with a previously obtained opinion of the Agency.

The Government of the Republic of Serbia approves the act on charges prescribed under Paragraph 3 of this Article.

Article 37

The system operator is allowed to refuse access to the system in case there are no technical possibilities due to lack of capacities, operation disturbances or system overload i.e. due to threatened safety of system functioning or objection by an energy producer in the Republic of Serbia about the lack of reciprocity.

Data on load level of transmission, transportation or distribution system or on occupation of natural gas storage capacities is public.

The system operator shall pass a duly substantiated decision on refusal of access to the system within three days from the date of submission of an application for access to the system at the latest.

Against the decision referred to under Paragraph 2 of this Article, an appeal can be lodged to the Agency within eight days upon the date of receipt of the decision.

The decision of the Agency upon a lodged appeal is final and an administrative litigation procedure can be instituted against it.

Article 38

The transmission i.e. transportation system operator is obliged to enable the transit of energy via the transmission, i.e. transportation system that he operates, respecting concluded international conventions or contracts.

The transmission, i.e. transportation system operator is obliged to enable the transit of energy via the system he operates respecting the principles of regulated third party access, non-discrimination and transparency.

The transmission, i.e. transportation system operator may refuse a request for transit of energy in case of lack of technical possibilities resulting from insufficient capacities, operating disturbances or transmission i.e. transportation system overload because of assumed contractual liabilities and energy consumption by customers on the territory of the Republic of Serbia, as well as due to the lack of reciprocity.

The procedure stipulated in Article 37 of this Law shall be applied to refusal of a request for the transit of energy.

5. Eligible Customers

Article 39

The status of an eligible customer shall be granted to a customer of power, i.e. natural gas or heat, whose total energy consumption in the course of the previous 12 months was higher, on all measuring points, than the energy consumption determined as the minimum annual energy consumption for acquiring the status of an eligible customer.

The status of an eligible customer is acquired on the basis of the act on fulfilment of conditions stipulated in Paragraph 1 of this Article, which is passed by the Agency.

The Agency is obliged to pass the act from Paragraph 2 of this Article within 30 days upon the date of submission of a written application for establishing the status of an eligible customer, i.e. for changing the tariff customer status into the eligible customer status.

Together with the application for determining the status of an eligible customer, a customer who was not an energy consumer, shall submit a contract on the purchase of energy whereby the planned energy consumption level is defined, while for changing the tariff customer status into the eligible customer status, he shall submit the act of the energy entity for energy supply to tariff customers on the quantities of consumed energy in the previous 12 months.

The Agency shall submit the act determining the status of an eligible customer to the system operator, energy market operator and energy entity for supply of power to tariff customers.

An eligible customer cannot lose his status while maintaining energy consumption at a level higher than the minimum energy consumption determined for acquiring the status of an eligible consumer.

Changing the tariff customer status into the eligible customer status, i.e. changing the eligible customer status into the tariff customer status cannot be made prior to the expiry of 12 months from the date of the last status change.

V CONDITIONS AND METHOD OF PERFORMANCE OF ENERGY ACTIVITIES

1. Performance of Energy Activities

Article 40

An energy activity may be performed by an enterprise, i.e. other legal person or entrepreneur registered in the respective Register and possessing a license for conducting an energy activity, unless stipulated otherwise by this Law.

Article 41

Energy activities that are according to this Law considered as of activities of general interest are as follows: power generation, power transmission, transmission system operation, organizing the electricity market, power distribution, power distribution system operation, trade in power for the supply of energy to tariff customers, petroleum pipeline transport, petroleum product pipeline transport, natural gas transportation, natural gas transportation system operation, natural gas storage, natural gas storage operation, natural gas distribution, natural gas distribution system operation, trade in natural gas for the supply of energy to tariff customers, heat generation, heat distribution, heat distribution system operation and supply of heat to tariff customers.

Public enterprises and other forms of enterprises, a part of an enterprise and an entrepreneur can perform activities referred to under Paragraph 1 of this Article, under the terms and conditions defined by this Law and regulations

enacted in accordance with this Law and by the law regulating the performance of activities of general interest.

Article 42

Trade in energy for the needs of tariff customers as an activity of general interest in the context of Article 41, Paragraph 1 of this Law shall be performed by energy entities, whose obligation to supply power or natural gas to tariff customers on the territory of Republic of Serbia is defined by the foundation act or act on entrustment of performing energy activities.

When performing activities from Paragraph 1 of this Article, the energy entity for supplying tariff customers with energy is obliged to ensure the necessary conditions for regular and secure supply of power and natural gas to tariff customers, by purchasing that energy from producers, traders at the organized energy market or from import.

The Energy entity from Paragraph 1 of this Article concludes written annual contracts on the purchase of energy for tariff customers in conformity with the annual balance of needs of tariff customers which it supplies with energy, except in cases stipulated by the present Law.

Article 43

An energy entity performing two or more energy activities or besides conducting energy activity also conducts an activity which is not considered an energy activity in the context of this Law, is obliged to provide conditions prescribed by law for performing each of those activities.

An energy entity performing two or more energy activities is obliged to keep separate accounts for each energy activity in his internal accounting, as well as consolidated accounts for other activities and to prepare balance sheets with revenues, expenditures and operating results for each activity individually pursuant to this Law, and laws regulating the performance of activities of commercial entities, accounting and auditing.

The energy entity under Paragraph 2 of this Article, is obliged to provide an independent audit of the balance sheet for all activities and to submit the balance sheets and audit reports to the competent body and publish them within the timeframe and under the terms stipulated by the law regulating accounting and auditing.

2. Licenses

Article 44

An energy entity may commence with conducting an energy activity on the basis of a license issued by the Agency, unless stipulated otherwise by this Law.

A license is issued by means of a decision within 30 days starting from the date of submitting an application for issuing a licence.

A license should particularly include: the name of the energy entity, the energy activity, a list of energy facilities, data on their capacity, data related to the area in which the energy activity will be performed and the period of conducting the energy activity.

Against the decision referred to under Paragraph 2 of this Article, an appeal may be lodged to the Minister within 15 days upon the date of receipt of the decision.

The license is not required for performing the following energy activities:

- 1) Generation of power exclusively for one's own needs;
- 2) Generation of power in facilities with an installed capacity of up to 1 MW;
- 3) Transport of petroleum and petroleum products by other means of transport;
- 4) Storing of petroleum and petroleum products for one's own needs,
- 5) Retail trade in liquefied natural gas in cylinders;
- 6) Generation of heat for one's own needs;
- 7) Generation of heat in facilities with an installed capacity of up to 1 MW;

Article 45

The license is issued for each energy activity separately at the request of an energy entity.

The license is issued for the period of 10 years.

The term of license validity may be extended at the request of the energy entity.

The request referred to under Paragraph 3 of this Article is to be submitted to the Agency at least within 30 days before the expiration date of the issued license.

A fee shall be paid for license issuing in the amount which shall be determined by the Agency in accordance with the criteria and standards it passes.

Article 46

A license is to be issued to an energy entity:

- 1) If the entity is registered in the respective Registry for performing the activity which is considered an energy activity in the context of this Law;
- 2) If energy facilities and other equipment, installations or plants necessary for the performance of the energy activity meet the conditions and requirements prescribed by technical regulations, regulations on energy efficiency, regulations on protection against fire and explosion and environmental protection regulations;
- 3) if the entity meets prescribed conditions in respect of the professional staff for conducting jobs and tasks of technical operation, i.e. conditions regarding the number and professional training of its employees for performing tasks of maintenance of natural gas transportation and distribution facilities, as well as tasks of operating those facilities;
- 4) If the entity avails of financial funds necessary for conducting the energy activity or proves that it can obtain such funds in amount required for performance of the energy activity for which the application for license was submitted;
- 5) If the entity already performing an energy activity was not deprived of the license for performing the same energy activity within the three years preceding the year in which the application for the license was submitted;
- 6) If members of the management bodies have not been sentenced for criminal acts pertaining to the performance of commercial activities.

The energy entity should enclose the evidence on fulfilment of conditions referred to under Paragraph 1 of this Article together with the license application.

The proof of fulfilment of conditions referred to under Paragraph 1, Item 2) and 3) of this Article is the Report of the competent inspector.

Article 47

Professional qualification for conducting jobs and tasks of maintenance of natural gas transportation and distribution facilities, as well as operating those facilities under Article 46, Paragraph 1. Item 3) hereof shall be acquired by passing a Professional Examination.

The Professional Examination is taken before a Commission established by the Minister, i.e. the Head of the competent body of Autonomous Province for persons employed in energy entities having their head office on the territory of the Autonomous Province.

The Minister defines detailed conditions, the program and terms of taking the Professional Examination referred to under Paragraph 2 of this Article, as well as conditions regarding professional staff referred to under Article 46, Paragraph 1, Item 3) herein.

Article 48

The license for performing an energy activity can be temporarily suspended should the energy entity: fail to meet one or more conditions referred to under Article 46, Paragraph 1 hereof; fail to determine the price of energy, i.e. performance of energy service in conformity with the tariff system or contrary to the approved, i.e. prescribed prices; in case energy systems are not maintained in operating and safe conditions and in accordance with technical regulations regulating conditions of exploitation, as well as in the case of non-compliance with other defined conditions for performing energy activities determined by this Law and regulations enacted in compliance with this Law.

The Agency passes the decision on temporary suspension of a license referred to under Paragraph 1 of this Article and determines the deadline for removal of deficiencies due to which the license is temporary suspended which cannot be longer than 60 days from the date of receipt of the decision.

The decision on temporary license suspension due to non-compliance with conditions under Article 46, Paragraph 1, items 1), 2) and 3) herein shall be passed by the Agency upon the proposal of the competent inspector.

Should the energy entity fail to remedy the deficiencies which resulted in temporary suspension of the license within the period determined in the decision of temporary suspension of the license referred to under Paragraph 3 of this Article, the license for performing the relevant energy activity will be permanently revoked.

The Agency passes the decision on permanent revocation of a license referred to under Paragraph 4 of this Article.

Against the decisions referred to under Paragraph 3 and 5 of this Article, an appeal may be lodged to the Minister within eight days upon the date of receipt of the decision.

Article 49

If the cessation of operation of an energy entity whose license is temporarily suspended could threaten regular and reliable supply of energy, lives and health of people or cause serious disruptions in economy, the Agency can, upon an obtained opinion of the Ministry and the competent inspection, issue an approval to the energy entity to continue the performing the energy activity until securing conditions for the remedy of harmful effects of the cessation of operations of the energy entity, provided that this period is not longer than one determined by the decision referred to under Article 48, Paragraph 2 herein.

Against the decision referred to under Paragraph 1 of this Article an appeal may be lodged to the Minister.

The appeal does not suspend enforcement of the decision.

If the cessation of operation of an energy entity performing an energy activity of general interest whose license is permanently revoked could threaten regular and reliable supply of energy, lives and health of people or to cause serious disruptions in economy, on the proposal of the Minister the Government of the Republic of Serbia can, by means of a special act appoint another energy entity which is a holder of a license for performing the same energy activity, to perform the energy activity in the area previously allocated to the energy entity whose license was permanently revoked.

In the case mentioned in the Paragraph 4 of this Article, the act of the Government of the Republic of Serbia determines the rights and obligations of the energy entity appointed for performing the energy activity of general interest in specific area and timeframe for performing the activity, as well as the rights of the owner of energy facilities whose license was revoked, in case there is need to use his energy facilities in performing the energy activity by the entity defined by the act of the Government of the Republic of Serbia.

Article 50

The Minister defines detailed conditions from Article 46, Paragraph 1, Item 3 of this Law, the method for license issuing, suspension and revoking, as well as the method of keeping the Register of issued, suspended, and revoked licenses.

3. CONNECTION OF FACILITIES TO THE TRANSMISSION, TRANSPORTATION AND DISTRIBUTION SYSTEM

Article 51

Connection of a facility to the transmission, i.e. transportation or distribution system is made on the basis of an approval of the energy entity on whose system the connection is to be done with the obtained consent of the system operator.

The energy entity to whose system the customer's facility or the energy producer's facility is to be connected, shall approve the connection referred to under Paragraph 1 of this Article provided that the facility devices and installations which should be connected meet the requirements stipulated by law, technical and other regulations defining terms and conditions of utilization of those facilities.

Article 52

At request of a legal or physical person whose facility should be connected, the approval is granted by means of a decision.

The energy entity for energy transmission, i.e. transportation or distribution is obliged to decide upon request for connection within 30 days upon the date of receipt of the written request.

An appeal may be lodged against the decision referred to under Paragraph 1 of this Article within 15 days upon the date of receipt of the decision.

The appeal is to be submitted to the Agency.

The decision of the Agency in respect to the appeal is final and an administrative litigation procedure can be instituted against it.

Article 53

The Approval for connection of a facility to the transmission, transportation or distribution system particularly includes: the connection point, the terms and technical conditions of connection, the place and terms of measuring the delivered energy and the timeframe and connection charge.

Technical and other conditions of connection to the transmission, transportation or distribution system are determined in accordance with this Law, technical and other regulations enacted in compliance with this Law.

Article 54

Measuring devices, i.e. measuring-control stations represent the place of energy transfer and the boundary line in respect of the responsibility for energy handed over between energy entities i.e. between an energy entity and an energy customer.

Measuring devices, i.e. measuring and control stations for connecting customers', i.e. energy producers' facilities to the system, are provided by the energy entity for transmission, transportation, i.e. distribution which is obliged to install, maintain, and calibrate them as its own assets and to measure the delivered energy.

Article 55

Connection charges referred to under Article 53, Paragraph 1 herein are borne by the applicant.

The energy entity for transmission, i.e. transportation or distribution system determines the charges referred to under Paragraph 1 of this Article, in accordance with the methodology for defining connection charges passed by the Agency.

The methodology referred to under Paragraph 2 of this Article defines the method and detailed criteria for calculating connection charges depending on the

approved installed capacity, connection point, necessity for execution of works or installing necessary equipment and on other objective criteria.

Article 56

The energy entity supplying energy to the customer's facilities and the energy customer are obliged to conclude a contract on power, natural gas or heat sale before connecting the customer's facility to transmission, i.e. transportation or distribution system.

The energy entity is obliged to connect a consumer's facility to the transmission, transportation or distribution system within 15 days upon the date of concluding the contract on energy sale, provided that the customer fulfilled the obligations defined by the connection approval and that the customer's facility meets all technical and other prescribed requirements.

Should the energy entity fail to connect the facility of the consumer to the transmission, transportation or distribution system within the timeframe referred to under Paragraph 1 of this Article, the competent inspector examines the fulfilment of conditions for connection at the request of the customer within 15 days from the date of request, and in case he establishes that all requirements for connection are met, he will order the energy entity to connect the facility without any delay.

The energy entity is obliged to connect the facility of the energy producer to the transmission, transportation or distribution system within the timeframe and under conditions defined in the contract they conclude.

Article 57

The Contract referred to under Article 56, Paragraph 1 herein shall be concluded in writing and contains, besides elements defined by the Law regulating obligation relations, the following elements: connection time, rights and obligations related to quantity of energy to be delivered, delivery schedule and quality of delivery, contract duration and conditions for extending contract validity, rights and obligations in case of the contract termination, obligations of the energy entity for supply of energy to tariff customers in the case of non-compliance with obligations related to quality and continuity of delivery, obligations of customers in case of non-compliance with payment obligations, terms and conditions of energy takeover and use, rights and obligations in case of temporary suspension of energy delivery, measuring method, calculation and terms of payment of taken over energy, methods of informing on tariff modification, prices and other conditions of energy delivery and use, as well as other elements depending on the characteristics and types of services provided by the supplier.

On relations not regulated by the Contract referred to under Paragraph 1 of this Article provisions stipulated herein and in other regulations enacted in compliance with this Law shall be applied.

Article 58

Connection of a facility to the transmission, transportation or distribution system for whose construction, i.e. usage a permit has not been obtained pursuant to the law, is prohibited.

Article 59

An approval for temporary connection of a facility may be granted in case of a need to connect temporary facilities, construction sites, similar facilities, as well as facilities with approval for trial run in conformity with the relevant special law.

Respective provisions of this Law, other regulations enacted on the basis of this Law and the transmission, transportation i.e. distribution system grid codes are applied to conditions, terms and procedure of granting approval for temporary connection and energy delivery.

4. CUSTOMER'S RIGHTS AND LIABILITIES

Article 60

A customer is entitled, in case of technical or other disruptions of energy delivery not caused by the customer's facility, to request remedy of these disruptions within a reasonable period of time.

The period of 24 hours and maximum two days from the date of notice on disruption is considered to be a reasonable period of time within which the energy entity is obliged to remedy disruptions in energy delivery to customers.

Disruptions in energy delivery resulting from applied measures referred to under Article 72, Items 3) and 4) herein are not considered to be disruptions in the context of Paragraph 1 of this Article.

Article 61

A customer is obliged to use energy pursuant to the conditions, manner and for purposes stipulated in the Contract on energy sale, laws and other regulations enacted on the basis of this Law.

Article 62

A customer is obliged to allow authorized persons of the energy entity access to measuring devices and installations, as well as to the connection point for the purpose of reading, inspection of proper operation, repair of defects, replacement and maintenance of devices and suspension of energy delivery.

Article 63

In case of technical or other disruptions of energy delivery not caused by the customer's facility or failure in exercising contractual obligations on the part of a customer, the energy entity for transmission, i.e. transportation or distribution will suspend energy delivery to the customer under terms and conditions stipulated herein and in other regulations enacted in compliance with this Law.

A written warning, indicating the term for remedy of observed irregularities and failures, should be submitted to the customer prior to the suspension of energy delivery.

The term referred to under Paragraph 2 of this Article cannot be shorter than three days from the delivery of the warning notice.

5. UNAUTHORIZED ENERGY USE

Article 64

Arbitrary connection of a facility, device or installation to the transmission, transportation or distribution system is prohibited.

Use of energy without or bypassing the measuring devices or contrary to the conditions stipulated by contract concerning reliable and accurate measuring of taken energy is prohibited.

Article 65

Should the energy entity for transmission, transport, i.e. distribution establish that a legal or physical person uses energy without authorization in the context of Article 64 of the present Law, it is obliged to disconnect this facility from the transmission, transportation or distribution system immediately.

VI PRICES OF ENERGY AND SERVICES

Article 66

Prices of energy and the services provided by energy entity are freely formed or regulated.

Price of energy for eligible customers are freely formed and determined by the contract concluded between an eligible customer and his supplier.

Prices of petroleum products are freely formed.

Prices of energy delivered to tariff customers and of services performed by energy entities referred to under Article 42, Paragraph 1 hereof, are regulated.

Prices of energy delivered to tariff customers and prices of services rendered for tariff customers shall be determined by the energy entity for supply of energy to tariff customers, after a previously obtained opinion of the Agency.

The Government of the Republic of Serbia gives its consent to the act on prices referred to under Paragraph 5 of this Article.

Article 67

The tariff system defines elements for calculation and methods of calculation of energy delivered to tariff customers, as well as elements for calculation and methods of calculation for services rendered to tariff customers.

The tariff elements for calculating of energy delivered and services rendered contain justified operating expenses consisting of costs of depreciation, maintenance, construction, rehabilitation and modernization of facilities, insurance, fuel, environmental protection and other operating expenses that provide the corresponding term and rate of return of investments in energy facilities.

Tariff system elements are presented in tariff rates¹ on the basis of which the calculation of overtaken energy i.e. provided energy service for the calculation period is performed.

The tariff system may define various tariff rates, depending on the quantity and type of overtaken energy, power and other characteristics of overtaken energy, seasonal and daily delivery schedule, place of takeover and method of measuring.

Article 68

The tariff system defines the tariff rates for calculating the prices of:

- 1) power generation for tariff customers, power transmission, transmission system operation and ancillary services, power distribution and distribution system operation;
- 2) petroleum pipeline transport and petroleum product pipeline transport;
- 3) natural gas production for tariff customers, natural gas transport, transportation system operation and ancillary services, natural gas storing,

¹ Tariff rate is to be considered only in the context of tariff system elements, on no account should it be associated with the »price«.

natural gas storage operation, natural gas distribution, distribution system operation;

- 4) heat distribution, distribution system operation, and delivery of heat.

Article 69

Tariff rates for delivered energy to the same category of tariff customers are equal on the whole territory of the Republic of Serbia.

The provision of Paragraph 1 of this Article shall not be applied to the tariff rates for calculating delivered heat.

The time of applying different day and night tariff rates for power delivered to tariff customers may vary, but the duration of application of each tariff rate for the same category of tariff customers is the same for the whole territory of the Republic of Serbia.

Article 70

The tariff systems for calculating delivered energy i.e. provided energy services are passed by the Agency with consent of the Government of the Republic of Serbia.

The tariff system for calculating delivered heat, i.e. provided services shall be passed by the competent body of the local self-government unit, town, i.e. City of Belgrade.

VII CONDITIONS OF ENERGY DELIVERY AND MEASURES IN CASE OF DISRUPTION ON THE ENERGY MARKET

Article 71

The Government of the Republic of Serbia prescribes detailed conditions for power and natural gas delivery to customers as well as measures to be undertaken in case of threatened security of power and natural gas delivery to customers due to disruptions in functioning of energy system or disruptions on the energy market.

Detailed conditions of heat delivery as well as measures to be undertaken in case of threatened security of heat delivery to customers due to disruptions in functioning of heat delivery system shall be passed by the competent body of the local self-government unit, town i.e. city of Belgrade.

Article 72

The Conditions of power and natural gas delivery prescribe more closely:

- 1) Terms and procedure of granting approval for connection to the systems;
- 2) Terms and mode of connection of temporary facilities, construction sites and facilities in trial run;
- 3) Measures to be undertaken in case of short-term disruptions caused by breakdowns and other unpredictable circumstances whereby safety of the energy system operation is threatened, as well as due to unpredictable and necessary works on maintenance of energy facilities and required works on the system expansion;
- 4) Measures to be undertaken in the case of a general energy shortage caused by circumstances referred to under Article 76 herein;
- 5) Terms and conditions for energy delivery suspension;
- 6) Terms and conditions for rational use of energy and energy saving;
- 7) Terms and conditions of undertaking measures and the schedule of limiting energy delivery, as well as measures of energy saving and rational consumption in case of a general energy shortage;
- 8) Conditions of supply to customers' facilities to which energy delivery cannot be suspended due to outstanding liabilities for delivered energy or in other cases;
- 9) Method of regulating relations between a deliverer and a customer to whom energy delivery cannot be suspended;
- 10) Method of measuring the delivered energy;
- 11) Method of calculating unauthorized overtaking of energy;
- 12) Manner of customers notification in cases referred to under It. 3), 4), 5), 6) and 7) of this Article;
- 13) Other conditions and measures for energy supply to customers.

Article 73

Measures defined under Article 72 item 3) and 4) herein shall be implemented on the basis of plans on power and natural gas delivery limitations.

Plans under Paragraph 1 of this Article shall be passed by the system operator in cooperation with the energy entity performing the activities of energy transmission, i.e. transportation or distribution.

Article 74

The decision on implementation of measures under Article 72 item 3) herein is passed by the system operator.

Article 75

At the proposal of the Ministry, the Government of the Republic of Serbia passes the decision on applying the measures referred to under Article 72 item 4) hereof, and based on prior notice from the system operator on circumstances requiring applying these measures.

The decision referred to under Paragraph 1 of this Article and the plan on limiting power delivery, i.e. natural gas according to which measures referred to under Article 72 item 4) hereof are implemented, are announced in public media, at least 24 hours prior to the commencement of implementation of measures mentioned in the decision.

Article 76

The Government of the Republic of Serbia prescribes measures of power i.e. natural gas delivery limitations or specific conditions for import or export of certain types of energy, terms and conditions of pricing and price control, the obligation to deliver energy only to certain consumers or special conditions for conducting energy activities, in case of threatened security of supply to customers or threatened operation of the energy system due to insufficient supply on the energy market or other exceptional circumstances emerging.

In the case referred to under Paragraph 1 of this Article, the Government of the Republic of Serbia defines the manner of obtaining, i.e. sources of funds for indemnification that may occur for an energy entity implementing those measures as well as terms and conditions for allocation of funds for indemnification of damage.

Measures referred to under Paragraph 1 of this Article may last until circumstances that caused the implementation of those measures last, i.e. consequences caused by those circumstances last.

VIII PROTECTION OF ENERGY FACILITIES

Article 77

The energy entity which uses and maintains the energy facilities has the right of passage over the real estate of another owner for performing maintenance works, control of proper operation of the facility, devices, plants or equipment and performing other necessary works, and the right to use real estate, where works are performed, only in the course of works.

The owner of a real estate is obliged to allow access to the energy facilities referred to under Paragraph 1 of this Article and to suffer performance of works referred to under Paragraph 1 of this Article.

The energy entity referred to under Paragraph 1 of this Article is obliged to reimburse the owner for the use of a real estate referred to under Paragraph 1 of this Article and to compensate the damage suffered by the owner of a real estate in the course of works, in the amount mutually agreed upon between the energy entity and the real estate owner.

Should the owner of a real estate and the energy entity fail to reach an agreement pursuant to Paragraph 3 of this Article, the subject decision will be awarded by the competent court.

Article 78

The competent body can order relocation of an energy facility only in case of construction of facilities of traffic, energy and utility infrastructure, facilities for country defence, waterworks facilities and facilities for protection against natural disasters, and other facilities that are considered facilities of general interest in the context of the Law on Expropriation, which cannot be built on another location due to natural or other characteristics, as well as in case of constructing facilities and carrying out mine exploitation works.

In the case referred to under Paragraph 1 of this Article, the costs of energy facility relocation, including construction costs, i.e. placing that energy facility on another location are borne by the investor of the facility because of whose construction the energy facility is relocated.

Article 79

The construction of facilities not intended for conducting energy activities as well as performance of other works below, above or next to the energy facilities contrary to laws as well as to technical and other regulations is prohibited.

Planting of trees and other plants on the land above, below or at a distance from the energy facility contrary to technical regulations is prohibited.

Owners and holders of other real estate rights are obliged to regularly remove trees and other plants threatening operation of energy facilities.

The owner, i.e. user of the energy facility is obliged to remove trees and other plants threatening operation of the energy facility at the expense of the owner, i.e. holder of other real estate rights if, despite being warned, their removal is not done by the owner, i.e. holder of other real estate rights .

Owners and holders of other real estate rights on real estate located below, above and next to an energy facility cannot undertake works or other activities which hamper or threaten the operation and functioning of the energy facility without prior approval of the energy entity who is the owner, i.e. user of the energy facility.

At the request of an owner or a holder of other real estate rights on real estate located under, above or next to the energy facility, the energy entity referred to under Paragraph 5 of this Article issues the approval for performance of works within 15 days upon the date of filing the request.

An appeal may be lodged to the Minister against the decision referred to under Paragraph 6 of this Article, within 15 days upon the delivery of the decision.

IX POWER

1. Generation of Power

1) *Power Producers*

Article 80

Generation of power encompasses production in hydro power plants, thermal power plants, combined heat and power plants and renewable energy or waste power plants.

An energy entity performing the activity of power generation (hereinafter: the power producer) is obliged to maintain the generation capacities in operating condition, to ensure for their continuous operational and functional availability and safe use, as well as to comply with all conditions and measures established by technical and other regulations and standards, grid codes and other regulations referring to conditions of utilization of facilities of that kind and purpose, their security and conditions of environmental protection stipulated by law and other regulations.

Article 81

A power producer, whose obligation for power generation for tariff customers is defined by the foundation act or act on entrustment, is obliged to deliver the generated power to the energy entity for power supply to tariff customers, in compliance with an annual contract they conclude.

Quantities of power that the energy entity from Paragraph 1 of this Article provides for tariff customers are established on the basis of a consolidated annual balance of power needs of all tariff customers of power on the territory of the Republic of Serbia.

If activities of power generation and of trade in power for the purpose of supply of tariff customers are carried out in the same legal entity, the consolidated balance of all needs for power of all tariff customers on the territory of the Republic of Serbia is established by an annual business plan of the said legal entity.

If the energy entity from Paragraph 1 of this Article cannot generate the needed quantities of power for tariff consumers, the energy entity for power supply of tariff customers is obliged to provide power by purchasing it from other producers in the country or by purchasing it on the free electricity market or from import.

The energy entity from Paragraph 1 of this Article can sell power above the contracted quantities for the needs of tariff customers on the free electricity market.

Article 82

If activities of distribution system operation, distribution and trade in power are carried out in the same energy entity besides the activity of power generation, energy entities are obliged to act in compliance with the Article 43 herein while performing all of those activities.

Article 83

A power producer performing system services for the transmission system operator is obliged to conclude a contract on performing system services in writing with the transmission system operator.

2) *Privileged Power Producers*

Article 84

Privileged power producers are producers using renewable energy resources and waste in their power generation process, producers generating power in power plants which are considered as small power plants in the context of this Law, producers simultaneously generating power and heat, provided that they meet criteria regarding energy efficiency.

The Government of Serbia defines more detailed conditions for obtaining the status of a privileged producer and criteria for assessing whether the conditions have been met.

A power producer submits an application for obtaining the status of a privileged power producer, with enclosed evidence on meeting the conditions

referred to under Paragraph 2 of this Article to the Minister who is obliged to reach a decision on the submitted application within 30 days from the day of application submission.

An appeal against the decision referred to Paragraph 3 of this Article may be lodged to the Government of the Republic of Serbia within 15 days from the day of decision delivery.

Article 85

The Ministry keeps a register of privileged power producers that particularly contains data on: plants for power generation, their location, installed capacity of the power plant, time foreseen for its utilization, conditions for construction and utilization of the plant, type of energy carrier that it uses and entities performing the activity of power generation in those facilities.

Article 86

Privileged power producers are entitled to priority rights on the organized electricity market over other producers who offer power under equal conditions.

Privileged power producers are entitled to subsidies, tax, customs and other relieves in compliance with laws and other regulations on taxes, customs and other duties, i.e. subsidies and other incentive measures.

3) *Small Power Plants*

Article 87

Small power plants, in the context of this Law, are power plants with an installed capacity of up to 10MW.

Small power plants can be connected to the distribution system under the conditions stipulated herein and are entitled to sell generated power via the distribution system.

Article 88

Construction of small power plants and power generation in those power plants can be carried out by legal persons and entrepreneurs under conditions stipulated herein.

2. Power Transmission and Transmission System Operation

Article 89

The power transmission system consists of a high-voltage 400 kV, 220kV network and part of the 110 kV network, as well as other energy facilities, telecommunication system, information system and other infrastructure necessary for the functioning of the power system.

Article 90

The energy entity performing the activity of power transmission is obliged to maintain the transmission system and transmission lines interconnected with other systems in proper operating condition, to ensure continuous operational availability and functioning of the transmission system as a whole, to undertake all prescribed safety measures when using the transmission system and other capacities pertaining to transmission, as well as measures for environmental protection, and to provide the development of the transmission system in compliance with the development plans for a five-year period.

The development plan referred to under Paragraph 1 of this Article determines the construction schedule of new energy facilities and reconstruction of the existing ones within the transmission system, sources of financing and other conditions for transmission system development.

Data on the planned activities referring to the transmission system development shall be submitted to the transmission system operator.

Article 91

The transmission system operator operates the transmission system on the territory of the Republic of Serbia.

Article 92

The transmission system operator is particularly liable for:

- 1) determining technical-technological conditions for connection of electric power facilities, devices and plants in a unique system;
- 2) providing ancillary services (reserves, frequency control and power exchange, voltage control, etc.);
- 3) operating the transmission system;

- 4) coordination of field operation within the transmission system with the energy entity for transmission;
- 5) operation of the electric power system of the Republic of Serbia in parallel with adjacent electric power systems;
- 6) monitoring the state of generating, transmission and distribution facilities, with approving the schedule of overhaul of the transmission system facilities;
- 7) ensuring security of functioning of the power system;
- 8) resolving problems of the transmission system overload, with ensuring the equal position of all entities;
- 9) cooperation with the electricity market operator in planning operation and calculation of power taken over;
- 10) harmonization of differences between the actual power consumption and the contracted quantities;
- 11) required changes in the order of utilization of production capacities in case of threatened security of the electric power system functioning, damages, larger differences between consumption and contracted quantities, as well as in cases stipulated under Article 76 herein;

Article 93

The energy entity performing the activity of power transmission is at the same time the transmission system operator and is obliged to adhere to the obligations prescribed under Article 43 herein while performing each of those activities.

The transmission system operator is independent in carrying out the activity of transmission system operation with regard to activities related to performing the activity of power transmission, in terms of its organization and independence when making decisions related to system operation.

If the energy entity from Paragraph 1 of this Article performs its activity within a system of integrated, i.e. related energy entities, the members of its management can neither participate in managing the parent company nor in managing other energy entities performing activities of power generation, distribution and trade within the same system.

The transmission system operator referred to under Paragraph 1 of this Article can perform the activity of power trade necessary for carrying out ancillary services for the sake of secure, reliable and stable functioning of the system.

Article 94

Upon the prior consent obtained from the Agency, the transmission system operator passes the transmission system grid code that particularly includes the following: technical conditions for connection of energy facilities for power generation, transmission and distribution and customer's facilities to the transmission system, rules on the third party access to the transmission system; technical and other conditions for secure and safe functioning of the system; method of establishing and implementing ancillary services; acting in emergency situations, functional requirements and accuracy class of measuring devices, as well as manner for power measuring.

The grid code referred to under Paragraph 1 of this Article is published in the »Official Gazette of the Republic of Serbia«.

Article 95

The transmission system operator is obliged to act towards power producers and customers of that energy in the manner that provides their equal position and by respecting the principle of transparency.

The transmission system operator is obliged to fulfil its obligations related to rendering ancillary services based on the principle of minimum costs and non-discrimination of energy entities that it obtains ancillary services from, and in compliance with the contract concluded with energy entities that render ancillary services.

Article 96

The transmission system operator keeps records on operational availability of production facilities and transmission system capacities, forecasts power consumption and draws up a report on needs for power and new transmission capacities and informs the Agency accordingly, at Agency's request.

Article 97

The transmission system operator is obliged to preserve the confidentiality of commercial and business data of energy entities and energy customers, as well as other data accessible to it while performing its activities.

3. Organizing Electricity Market

Article 98

Purchase and sale of power is carried out directly between energy entities or on the organized electricity market by means of power sale contracts.

The electricity market operator carries out the organization of the electricity market on the territory of the Republic of Serbia.

Participants in the electricity market are: power producers, energy entity for supply of power to tariff customers, power traders and eligible customers of power.

Article 99

Energy entities are obliged to report to the electricity market operator on all contracts on sale, import, export and transit of power concluded directly between contracting parties, prior to commencement of their execution.

The electricity market operator keeps records of all concluded contracts on sale of power on the electricity market.

Article 100

The electricity market operator is liable for the efficient organization of the electricity market, for operating the system of power sale and purchase in accordance with market business conditions, as well as for the development of the organized electricity market while respecting the principles of transparency and non-discrimination.

Article 101

The electricity market operator passes the electricity market code, with prior consent of the Agency.

The code referred to under Paragraph 1 of this Article is published in the »Official Gazette of the Republic of Serbia«.

Electricity market operator is obliged to preserve the confidentiality of commercial and other business data on energy entities and energy customers, as well as other data available to it while performing its activities.

The Government of the Republic of Serbia determines the organization and operation of the electricity market operator, conditions and method of business activities of entities on the organized energy market, as well as other conditions for securing electricity market functioning in compliance with this Law.

Until passing the act referred to under Paragraph 4 of this Article, the Government of the Republic of Serbia, for performing the activities of the electricity market operator, may appoint an energy entity that carries out activities of transmission and transmission system operation, in which case that energy entity is obliged to adhere to all prescribed obligations from Article 43 herein.

4. Power Distribution and Distribution System Operation

Article 102

Power distribution system consists of a low-voltage network, medium-voltage network and a part of 110 kV network, as well as other energy facilities, telecommunication system, information system and other infrastructure required for the functioning of distribution system.

Article 103

An energy entity performing the activity of power distribution (hereinafter: power distributor) is liable for the maintenance, functioning and development of the distribution system, adjusted to the needs of customers whom it delivers power to within specific area, and for determining the method and schedule for construction of a new distribution system and rehabilitation of the existing one, as well as of other distribution facilities in a development plan for a five-year period.

Article 104

The power distributor is obliged to deliver power to all power customers in the area of its operation, based on the principles of transparency and non-discrimination.

Together with the energy entity for the supply of tariff customers with power, the power distributor determines an annual balance of the tariff customers' demand whom it delivers power to within its distribution area and, in compliance with the established balance it concludes an annual power purchase contract for those customers.

The power distributor is obliged to conclude a contract with tariff customers to whom it delivers power, in compliance with the provisions of Article 57 herein and in the prescribed timeframe.

Article 105

The power distributor also carries out the activity of distribution system operation through the distribution system operator and power retail activities for customers within its power supply area.

Article 106

The distribution system operator is obliged to preserve the confidentiality of commercial and business data of energy entities and energy customers, as well as other data accessible to it while performing activities.

Article 107

The method of operating and the method of securing operational availability of the power distribution system are determined by distribution system grid code.

The distribution system grid code is passed by the distribution system operator, with consent of the Agency.

The grid code referred to under Paragraph 2 of this Article is published in the »Official Gazette of the Republic of Serbia«.

Article 108

The distribution system grid code particularly determines: technical conditions for connection of consumers to the system; technical conditions for connection with the transmission system; technical and other conditions for safe operation of the distribution system and for providing reliable and continuous delivery of power to customers; procedures in emergency situations, rules on the third party access to the distribution system, functional requirements and accuracy class of measuring devices; method of power measuring and other conditions.

X PETROLEUM AND PETROLEUM PRODUCTS

1. Performance of Activities

Article 109

Energy entities performing energy activities of petroleum products production, petroleum pipeline transport, petroleum products pipeline transport, transport of petroleum and petroleum products by other means of transportation, storing of petroleum, petroleum products and liquefied petroleum gas, and trade in petroleum and petroleum products are obliged to use and maintain energy facilities in accordance with technical regulations and standards referring to the activities they carry out, as well as conditions of environmental protection established by laws and other regulations.

Provisions herein do not refer to entities using petroleum gathering and transportation system as well as storage system in exploitation fields.

2. Transport of Petroleum and Petroleum Products

Article 110

Energy entities performing the activity of petroleum pipeline transport or petroleum product pipeline transport are obliged to define, in the development plan which is made for a period of five years, a schedule for the construction of new and

rehabilitation of the existing transportation capacities, sources of funding and other conditions for the development of the transport system and are liable for the implementation of the development plan.

Article 111

The energy entity performing the activity of petroleum pipeline transport establishes the transportation system grid code which particularly contains: technical conditions for connection to the system for the petroleum transport, technical conditions for safe operation of the system, procedures in case of damage, rules on the third party access to the petroleum transportation system, functional requirements and accuracy class of measuring devices, manner of petroleum measuring, and other transport conditions.

The Agency gives consent to the grid code referred to under Paragraph 1 of this Article.

The grid code referred to under Paragraph 1 of this Article is published in the "Official Gazette of the Republic of Serbia".

Article 112

The energy entity performing the activity of petroleum pipeline transport is obliged to make possible the transit of petroleum via pipeline as per the principles of regulated third party access, non-discrimination and transparency, respecting concluded interstate conventions or contracts.

The energy entity performing the activity of petroleum pipeline transport may refuse third party access requested for transit of petroleum via pipelines, if there are technical-technological limitations, if petroleum pipeline capacities are full, or due to the already undertaken contractual commitments and petroleum consumption by customers on the territory of the Republic of Serbia.

The procedure from Article 37 of this Law is to be applied for the refusal of a request for transit of petroleum via pipelines.

Article 113

The energy entity performing the activity of petroleum pipeline transport is obliged to preserve the confidentiality of commercial and business data of energy entities and energy customers, as well as other data accessible to it while performing its activities.

3. Security of Supply and Operational Reserve

Article 114

Energy entities supplying customers with petroleum products and buyers of petroleum products producing power or heat are, in addition to keeping obligatory reserves under a separate law, also liable for ensuring operational reserves which are at least equal to the average fifteen-day requirements of those customers in the preceding year.

The operational reserves of petroleum and petroleum products are used for ensuring security of energy supply to the population and industry.

The Minister prescribes more detailed conditions and the method for ensuring, using and renewal of the operational reserves of petroleum products.

XI NATURAL GAS

1. Performance of Activity

Article 115

Energy entities performing energy activities of natural gas transport, transportation system operation, storing of natural gas, natural gas storage operation, natural gas distribution and natural gas distribution system operation are obliged to use and maintain energy facilities pursuant to technical regulations and standards covering the activity they perform, conditions for fire-protection and protection against explosion, as well as conditions for environmental protection stipulated by laws and other regulations.

The provisions of this Law do not apply to entities using gathering and transportation systems in the exploitation fields for natural gas production.

Article 116

An Energy entity supplying tariff customers with natural gas is obliged to purchase needed quantities of natural gas for tariff customers within its natural gas supply area.

The energy entity from Paragraph 1 of this Article purchases natural gas from domestic natural gas producers, from import or on the market.

The energy entity from Paragraph 1 of this Article is obliged to determine the annual balance of needs of all tariff customers on the basis of individual balances of natural gas deliverers for tariff customers, to conclude natural gas purchase contracts in accordance with the determined balance needs of the tariff

customers, and to conclude annual contracts with natural gas deliverers for tariff customers in a written form.

The energy entity from Paragraph 1 of this Article is entitled to sell the surplus of the purchased natural gas on the natural gas market.

2. Natural Gas Transport and Transportation System Operation

Article 117

The system for the transport of natural gas is composed of a pipeline network, other energy facilities, telecommunication and information systems and other infrastructure necessary for the transport of natural gas under the operational pressure of over 16 bars (hereinafter: natural gas transportation system).

Parts of pipeline networks and other energy facilities wherein natural gas operational pressure is between 6 and 16 bars can also be an integral part of the natural gas transportation system.

Article 118

The energy entity performing the activity of natural gas transport is responsible for safe natural gas transport from the entry into the natural gas transportation system to the place of delivery of natural gas to the energy entity performing the activity of natural gas distribution, i.e. place of delivery of natural gas to customer connected to the transportation system, as well as for the operation, maintenance and development of the natural gas transportation system, pursuant to technical regulations and standards which refer to the activity it is performing, as well as environmental protection conditions defined by laws and other regulations.

It may be determined by the foundation act, i.e. act on entrustment of performing activities of natural gas transport that the energy entity performing the activity of natural gas transport may be obliged to perform the activities of natural gas storage and distribution as well.

Article 119

The energy entity performing the activity of natural gas transport is obliged to define, in the development plan for a five-year period, the time schedule for construction of new and rehabilitation of the existing energy facilities for natural gas transport, financial sources and other conditions for the development of the transportation system.

The energy entity performing activity of natural gas transport is accountable for the implementation of the development plan referred to in Paragraph 1 of this Article.

Article 120

The activity of natural gas transportation system operation on the territory of the Republic of Serbia is carried out by the natural gas transportation system operator.

The natural gas transportation system operator may also carry out the activity of natural gas transportation in which case he is obliged, while performing each of those activities, to adhere to the prescribed obligations stipulated under Article 43 hereof.

If the transportation system operator also carries out the activity of natural gas transport, he is independent in carrying out activities of transportation system operation regarding the organization and decision-making related to natural gas transportation operation, from performing activities of natural gas transport.

The operator referred to under Paragraph 1 of this Article can perform the activity of natural gas trade necessary for carrying out system services for the sake of secure, reliable and stable operation of the system.

Article 121

The natural gas transportation system operator is liable in particular for:

- 1) determining technical-technological conditions for the connection of gas transportation facilities, devices and plants;
- 2) flow and pressure control of natural gas;
- 3) operating the natural gas transportation system;
- 4) coordinating field operations in the transportation system with the energy entity performing transport;
- 5) coordinating the operation of the natural gas transportation system of the Republic with the neighbouring gas transportation systems;
- 6) monitoring of technical and functional availability of transportation and distribution facilities, including approval of the time schedule for the overhaul of transportation facilities;
- 7) ensuring of safety of operation of the transportation system;
- 8) making up for the deviations between current consumption and contracted quantities of natural gas;

- 9) use, maintenance and upgrading of the system for monitoring and operating the natural gas transportation system.

Article 122

If the natural gas transportation system operator, i.e. combined operator of the transportation, distribution and storage system of natural gas carries out business activities within a system of integrated, i.e. related energy entities, members of its management can neither take part in managing the parent company nor in managing other energy entities performing activities of distribution, trade and storage of natural gas operating within that system.

Article 123

The natural gas transportation system grid code is passed by the natural gas transportation system operator upon consent given by the Agency.

The grid code referred to under Paragraph 1 of this Article particularly contains: technical requirements for the connection to the natural gas transportation system, technical requirements for the safe operation of the system, procedures in case of damage, rules for third party access to the natural gas transportation system, functional requirements and accuracy class of measuring devices, manner of measuring natural gas and the method of determining system services.

The grid code referred to under Paragraph 1 of this Article is published in the "Official Gazette of the Republic of Serbia".

Article 124

The natural gas transportation system operator is obliged to preserve the confidentiality of commercial and other business data of energy entities and energy customers as well as other data accessible to it while performing its activities.

3. Storing and Operating Natural Gas Storages

Article 125

An energy entity performing the activity of natural gas storing is obliged to provide conditions for secure storing, functioning and maintenance of natural gas storage pursuant to technical regulations and standards referring to the activity the entity performs, as well as conditions for environmental protection stipulated by law and other regulations.

Article 126

An energy entity performing the activity of natural gas storing is obliged to determine the schedule for construction of new and rehabilitation of the existing

capacities for natural gas storing, financial sources and other conditions for development of natural gas storage in the development plan for a five-year period.

An energy entity performing the activity of natural gas storing is liable for the implementation of the development plan referred to under Paragraph 1 of this Article.

Article 127

The natural gas storage operator performs the activity of natural gas storage operation.

The natural gas storage operator is liable for:

- 1) pressure and quantity control in both working cycles;
- 2) operating the natural gas storage;
- 3) coordination of field operation with the transportation system operator;
- 4) monitoring and ensuring for functional availability of surface and underground parts of the storage;
- 5) passing the operation code and rules on third party access to the storage capacities;
- 6) rational and efficient use of storage capacities.

The operation code of the natural gas storage is passed by the storage operator, with the consent of the Agency.

Article 128

The natural gas storage operator is obliged to preserve the confidentiality of commercial and business data of energy entities and natural gas customers, as well as other data accessible to it while performing its activities.

4. Natural Gas Distribution

Article 129

Natural gas distribution systems consist of pipeline networks, other energy facilities, telecommunication and information systems and other infrastructure necessary for distribution of natural gas under the operational pressure of less than 6 bars.

Parts of pipeline networks and other energy facilities wherein natural gas operational pressure is between 6 and 16 bars can also be an integral part of a natural gas distribution system.

Article 130

An energy entity performing the activity of natural gas distribution is obliged to deliver natural gas to all customers within the area of its activities, based on the principles of transparency and non-discrimination.

The energy entity referred to under Paragraph 1 of this Article performing the activity of natural gas distribution on the basis of act of entrustment for carrying out this activity, concluded in compliance with the law that stipulates forms of organizing and carrying out activities of general interest, while performing that activity is obliged to adhere, besides conditions stipulated by this Law, to the conditions defined by this act.

An energy entity performing the activity of natural gas distribution is responsible for regular and safe distribution of natural gas, functioning, maintenance and development of the natural gas distribution system, with the obligation to apply technical regulations and standards for the activity it performs, as well as the conditions for environmental protection stipulated by laws and other regulations.

Energy entity performing natural gas delivery also carries out technical control of indoor gas installations in the facility of a customer, in compliance with technical regulations and the grid code referring to construction, maintenance and use of indoor gas installations.

The customer is obliged to ensure the maintenance of indoor gas installations in his facility by entrusting the work to an enterprise, i.e. another legal person or entrepreneur that has at least three employees with adequate qualifications and with the professional examination in the context of Article 47 herein.

Article 131

An energy entity performing natural gas distribution is obliged to make and pass development plans for construction of new and rehabilitation of the existing system for natural gas distribution, for a period of five years.

An energy entity performing activity of natural gas distribution is accountable for the implementation of the development plan referred to Paragraph 1 of this Article.

Article 132

The activity of operating a natural gas distribution system is performed by the distribution system operator.

An energy entity performing activity of natural gas distribution can also perform the activity of natural gas distribution system operation.

Article 133

A distribution system operator for natural gas is obliged to preserve the confidentiality of commercial and business data of energy entities and energy customers, as well as other data accessible to it while performing its activities.

Article 134

Distribution system operators for natural gas pass distribution system grid codes, with consent of the agency.

A distribution system grid code particularly determines: technical conditions for connection of users to the system; technical conditions for connection to the transportation system; technical and other conditions for safe operation of the distribution system and for providing secure and continuous supply of natural gas to customers; procedures in emergency situations; rules for third party access to the distribution system, functional requirements and accuracy class of measuring devices; the method of natural gas measuring, etc.

The code referred to under Paragraph 1 of this Article is published in the »Official Gazette of the Republic of Serbia«.

5. Combined System Operator

Article 135

The activity of natural gas transportation, distribution and storage system operation for can be performed by one operator, as a combined system operator.

It may be determined by the foundation act, i.e. act on entrustment of performing activities of natural gas transportation and storing, that the energy entity performing these activities may be obliged to perform the activity of a combined system operator as well.

In the case referred to under Paragraph 2 of this Article the energy entity is obliged, while performing activities of transportation, transportation system operation, distribution and distribution system operation and natural gas storage operation to adhere to the prescribed obligations under Article 43 hereof, except in case when it supplies less than 100,000 natural gas customers.

Article 136

The combined system operator establishes transportation system and distribution system grid codes, as well as operation rules for storage system, with the consent of the Agency.

The method of coordinating the operation of each of those systems is also defined by the codes and rules referred to under Paragraph 1 of this Article.

XII HEAT

1. Heat Production

1) *Heat Producers*

Article 137

Energy entity generating heat (hereinafter: heat producer) is obliged to maintain production capacities, substations and other installations in proper operating condition, to ensure their permanent operational and functional availability and safe use in accordance with technical and other regulations and standards referring to conditions of exploitation of such facilities and installations, their security and conditions for environmental protection stipulated by law and other regulations.

Article 138

A heat producer whose obligation to produce heat for tariff customers is defined by foundation act or act on entrustment for carrying out the activity of heat production, is obliged to deliver the produced heat to the energy entity performing the activity of supplying tariff customers with heat according to the annual balance of the tariff customers' needs.

The heat producer referred to under Paragraph 1 of this Article and the energy entity performing the activity of supplying tariff customers with heat, if those activities are not performed in the same legal entity, conclude an annual contract on sale of heat for needs of tariff customers in written form.

2) *Privileged Heat Producer*

Article 139

Privileged heat producers are producers who use renewable energy sources or waste in the process of heat production and thereby meet the energy efficiency conditions.

The competent body of the local self-government unit, town, i.e. City of Belgrade prescribes the conditions for obtaining the status of a privileged heat

producer, criteria for meeting those conditions and defines the method and procedure for obtaining that status.

Article 140

The competent body of the local self-government unit, town, i.e. City of Belgrade keeps the register of privileged heat producers particularly containing data on: facilities for heat production, their location, installed capacity of heat production plants, anticipated time of their utilization, conditions for construction and utilization of these plants; type of primary source used, and entities performing the energy activity of heat production in those facilities.

Article 141

Privileged heat producers are entitled to subsidies, tax, customs and other relieves in compliance with the laws and other regulations that regulate taxes, customs and other duties, i.e. subsidies and other incentive measures.

2. Heat Distribution

Article 142

An energy entity performing the activity of heat distribution (hereinafter: heat distributor) also performs the activity of heat distribution system operation and of supplying tariff customers with heat under conditions stipulated herein and regulations passed by the competent body of the local self-government unit, town, i.e. City of Belgrade.

A heat distributor is obliged to carry out heat distribution to all heat customers within the area of its activity and to operate the distribution system as per the principles of transparency and non-discrimination.

Article 143

Heat distributors are liable for maintenance, operation and development of the heat distribution system in compliance with the needs of customers to whom they deliver heat within the specific area.

Heat distributors are obliged to lay down in their development plans the method and time schedule for the construction of new and rehabilitation of the existing distribution system and other distribution capacities for the period of five years.

Heat distributors are liable for implementation of the development plans referred to under Paragraph 2 of this Article.

Article 144

When carrying out activities of distribution system operation, a heat distributor passes the distribution system grid code with the consent of the competent body of the local self-government unit, town, i.e. City of Belgrade.

The distribution system grid code particularly determines: technical conditions for connection of users to the system, technical conditions for connection with producers, technical and other conditions for safe operation of the distribution system and for ensuring secure and continuous heat supply to customers; procedures in emergency situations, functional requirements and accuracy class of measuring devices, as well as the manner of heat measuring.

The code referred to under Paragraph 1 of this Article is published in the official journals of the local self-government units, town, i.e. City of Belgrade.

Article 145

The competent body of the local self-government unit, town, i.e. City of Belgrade defines by its regulations terms and conditions of ensuring continuity in supplying customers within its area with heat; rights and obligations of heat producers and distributors; rights and obligations of heat customers; it determines the body that passes tariff systems, issues licences and gives consent to heat prices and prescribes other conditions that provide regular and secure supply of customers with heat in compliance with the law.

For performing the activities of heat production, distribution and distribution system operation, as well as supplying customers with heat, the unit of local self-government, town, i.e. City of Belgrade can establish a single energy entity for performing these activities.

In the case referred to under Paragraph 2 of this Article, the foundation act defines the conditions and method of organizing each of the activities in the energy entity, in compliance with the provisions of Article 43 herein.

XIII THE ENERGY EFFICIENCY AGENCY

1. Establishment and Legal Status

Article 146

The Energy Efficiency Agency is constituted as a special organization for performing professional activities on improving conditions and measures for rational use and saving of energy and energy carriers, as well as increasing efficiency of energy use within all sectors of energy consumption.

The Energy Efficiency Agency has the status of a legal entity.

Article 147

The Energy Efficiency Agency carries out activities referring to:

- 1) preparing proposals of incentive measures for enhancing energy efficiency in the procedure of preparing the Energy Development Strategy;
- 2) preparation of and proposing programs and measures for stimulating rational and efficient use of energy; and monitoring their implementation;
- 3) preparation of proposals for implementation of energy efficiency, utilization of renewable energy sources and environmental protection;
- 4) preparation of and proposing technical and other regulations regarding increasing energy efficiency;
- 5) preparation of criteria for evaluation of equipment efficiency in the process of energy use and manner of their labelling in conformity with appropriate international regulations and standards;
- 6) giving financial and technical support in preparation and implementation of priority energy efficiency projects;
- 7) consultative, advisory and educational activities in promoting energy efficiency;
- 8) performance of other activities in compliance with the law.

The Energy Efficiency Agency submits once a year to the Government of the Republic of Serbia a report on its activities in the preceding year with a proposal of measures.

XIV INSPECTION SUPERVISION

Article 148

Inspection supervision of the implementation of the provisions of this Law and the regulations enacted on the basis of this Law is performed by the Ministry through electric power inspectors and pressurized equipment inspectors within the scope of work defined by law.

The Autonomous Province is entrusted with performing inspection supervision on the territory of the Autonomous Province.

1. Inspection Supervision

Article 149

Inspection supervision covers supervision of implementation of the provisions of this Law, other regulations and general acts, standards, technical norms and quality standards which refer to the performance of energy activities, design, construction, maintenance and use of energy facilities, installations, devices, plants and equipment therein as well as supervision of the quality of energy delivered to customers.

Article 150

The Activities of an electric power inspector can be performed by a bachelor of science in electrical engineering who has minimum five years of working experience in this field, who passed the professional examination from the appropriate field, and who also fulfils other requirements prescribed by law.

The Activities of an inspector for pressurized equipment can be carried out by a bachelor of science in mechanical engineering who has minimum five years of working experience in this field, who passed the professional examination from the appropriate field, and who also fulfils other requirements prescribed by law.

The inspector is independent in performing activities within the competences defined by law and other regulations and is personally responsible for his work.

The Minister in charge for energy sector activities prescribes in more detail the form and the contents of the inspector identity card.

2. Rights and Obligations of Electric-Power Inspectors

Article 151

An electric power inspector performs inspection supervision over facilities for power production, transmission and distribution and other facilities with voltage exceeding 1 kV, in compliance with the competences stipulated by this Law.

Article 152

An electric power inspector has the right and obligation to check:

- 1) whether a permit for the construction of a power facility i.e. performing works on erection and fitting-in of installations, devices and equipment has been obtained from the competent body;
- 2) whether technical documentation for construction of electric power facility, i.e. performing works on erection and building-in of installations, devices and equipment was made in compliance with laws, technical and other regulations;

- 3) whether the construction of an electric power facility, i.e. performing works on erection and installation of installations, devices and equipment is carried out in compliance with laws, technical and other regulations;
- 4) whether energy entities performing the activities of production, transmission and distribution of power meet prescribed requirements for performance of those activities;
- 5) whether electric power facilities devices and installations are regularly maintained and whether control of installations, devices and equipment is performed in accordance with the technical regulations and standards;
- 6) whether persons who operate electric power facilities and handle equipment and persons who work on maintenance of electric power facilities and equipment meet prescribed requirements for the performance of those works;
- 7) regularity of delivery and quality of power delivered to customers;

Electric power inspector also performs other activities stipulated by laws or regulations enacted on the basis of laws.

3. Rights and Obligations of Pressurized Equipment Inspectors

Article 153

A pressurized equipment inspector performs inspection supervision of energy facilities for: petroleum and petroleum products transport, natural gas transport and distribution, heat production and distribution, petroleum and gas production and processing in accordance with the competences stipulated by this Law.

A pressurized equipment inspector also performs supervision of other facilities with pressurized equipment, if it is stipulated by another law.

Article 154

A pressurized equipment inspector has the right and obligation to check:

- 1) whether approval has been obtained from competent body for installing installations and building-in of pressurized equipment;
- 2) whether technical documentation for building-in and installing of pressurized equipment is prepared in compliance with laws, technical regulations and standards;

- 3) whether building-in and testing of pressurized equipment are performed in compliance with laws, technical regulations and standards;
- 4) whether energy entities performing activities of production, distribution and delivery of heat and transportation, distribution and delivery of natural gas meet requirements prescribed by law for performance of those activities;
- 5) whether pressurized equipment is maintained regularly and whether regular control and testing during utilization is performed in accordance with the technical regulation and standards;
- 6) whether persons who operate pressurized equipment and persons who maintain pressurized equipment meet the prescribed conditions for performance of those works;
- 7) regularity of delivery and quality of natural gas delivered to customers;

The pressurized equipment inspector also performs other activities stipulated by laws or regulation enacted on the basis of laws.

4. Competences of Inspectors

Article 155

In performing inspection supervision, electric-power inspectors and pressurized equipment inspectors are authorized to:

- 1) order remedy of established irregularities and faults within specified timeframe;
- 2) suspend construction of an energy facility, i.e. installation of devices, plants and installations or pressurized equipment if:
 - established irregularities and faults are not remedied within the specified timeframe;
 - construction of energy facilities, devices, plants and installation is performed without the approval of the competent body or contrary to technical documentation on the basis of which the approval was granted;
- 3) prohibit the use of an energy facility, i.e. devices, plants or installations or pressurized equipment if:
 - the operation of an energy facility, device, plant or installation threatens the lives and health of people and property.
 - established irregularities and faults were not remedied within the timeframe defined by the decision on suspension of use i.e. utilization of the facility;

- the license for performing activities in an energy facility is revoked due to non-compliance with prescribed conditions, excluding cases referred to under Article 49, Paragraph 1 and 4 of this Law.

The energy entity, enterprise and entrepreneur who was ordered by the inspector's decision to remedy faults or irregularities is obliged to notify the inspector in writing about the remedy of deficiencies or irregularities within the timeframe defined by the decision.

Article 156

The inspector cannot prepare or participate in the preparation of technical documentation and in performing technical control of the technical documentation for facilities which are the subject of inspection supervision, or perform professional supervision over construction, i.e. performance of works in the facilities which are the subject of inspection supervision.

Article 157

Energy entity, enterprise and entrepreneur are obliged to enable the inspector unhindered performance of inspection supervision, to allow his entrance into facilities, to put at his disposal all requested data, documents and reports required for the performance of the inspection supervision.

Article 158

An appeal against the decision of the electric power inspector and pressurized equipment inspector may be lodged to the Minister within 15 days upon the date of receipt of the decision.

The appeal does not suspend enforcement of the decision.

XV PENALTY PROVISIONS

1. Criminal Offences

Article 159

Who arbitrarily connects facilities, devices or installations to the transmission, transportation or distribution system shall be punished by imprisonment for a period of up to three years (Article 64, Paragraph 1 of this Law).

Who uses energy without or bypassing the measuring devices or contrary to the defined conditions stipulated by contract with respect to reliable and accurate measuring of over taken energy shall be punished for a criminal offence by imprisonment for a period of up to one year (Article 64, Paragraph 2 herein).

2. Trade Offence

Article 160

An energy entity, i.e. other legal entity shall be fined for a trade offence with a fine ranging from 50.000 to 3.000.000 dinars if it:

- 1) fails to preserve the confidentiality of commercial, business and other data at its disposal in the performance of the activities from its area of competence, pursuant to the Article 16 Paragraph 2, Article 97, Article 101 Paragraph 3, Article 106, 113, 124, 128, and 133 of this Law;
- 2) fails to keep separate accounts for each energy activity of general interest, fails to prepare a business balance sheet, and fails to obtain auditing of the said balance sheet in compliance with Article 43 Paragraph 2 and 3 of this Law;
- 3) commences performing an energy activity without prior obtaining of a license, pursuant to Article 44, Paragraph 1 of this Law;
- 4) fails to connect a customer's facility to the system as per the order of an inspector, pursuant to the Article 56, Paragraph 3 of this Law;
- 5) fails to pass and fails to publish grid codes and rules pursuant to Article 94, 107 Paragraph 2 and 3, Article 111 and 123, Article 127 Paragraph 3, Article 134, 136 and 144 of this Law;
- 6) fails to provide prescribed operational reserves pursuant to Article 114 of this Law;
- 7) fails to maintain indoor gas installations in conformity with the Article 130, Paragraph 5 of this Law;
- 8) fails to make possible inspection supervision, pursuant to Article 157 of this Law.

The liable person of the energy entity i.e. other legal person will be fined for the trade offence referred to under Paragraph 1 of this Article with a fine ranging from 20.000 to 200.000 dinars.

3. Misdemeanours

Article 161

An energy entity, i.e. other legal entity shall be fined for a misdemeanour with a fine ranging from 50.000 to 3.000.000 dinars if it:

- 1) fails to submit necessary data and documentation pursuant to Article 16, Paragraph 1 of this Law;

- 2) fails to conclude a contract pursuant to Article 42 Paragraph 3, Article 56 Paragraph 1, Article 81 Paragraph 1, Article 83, Article 104 Paragraph 3, Article 116 Paragraph 3 and Article 138 Paragraph 2 of this Law;
- 3) fails to decide at the request of a customer on connection of a facility within the timeframe specified in the Article 52, Paragraph 2, of this Law;
- 4) fails to connect the customer's facility to transmission, transportation, i.e. distribution system in conformity with the Article 56, Paragraph 2, of this Law;
- 5) fails to remedy faults in energy supply to customers within timeframe specified in the Article 60, Paragraph 2 of this Law;
- 6) fails to provide access to measuring devices to authorized persons, pursuant to Article 62, of this Law;
- 7) fails to give written warning to customer and fails to set him a term for remedy of irregularities, pursuant to Article 63, Paragraph 2 of this Law;
- 8) fails to provide access to energy facilities, pursuant to Article 77, Paragraph 2 of this Law;
- 9) acts contrary to provisions specified in Article 79, Paragraph 2 and 3 of this Law;
- 10) fails to act in conformity with Article 155, Paragraph 2 of this Law.

The liable person of the energy entity i.e. other legal person will be fined for the misdemeanour referred to under paragraph 1 of this Article with a fine ranging from 5.000 to 20.000 dinars

Article 162

An entrepreneur i.e. physical person shall be fined for a misdemeanour with a fine ranging from 5.000 to 20.000 dinars if it:

- 1) fails to provide access to measuring devices to authorized persons, pursuant to Article 62 of this Law;
- 2) fails to provide access to energy facilities, pursuant to Article 77, Paragraph 2 of this Law;
- 3) acts contrary to provisions of Article 79, Paragraph 1, 2 and 3 of this Law;
- 4) fails to maintain indoor gas installations in conformity with Article 130, Paragraph 5 of this Article;

- 5) fails to act in conformity with the inspector's order or fails to inform the inspector about remedy of deficiencies in the timeframe specified in the decision, pursuant to Article 155 of this Law.
- 6) fails to make possible inspection supervision, pursuant to Article 157 of this Law.

XVI TRANSITIONAL AND FINAL PROVISIONS

Article 163

The President and members of the Council shall be appointed within 60 days from the date of entry of this Law into force.

The Government of the Republic of Serbia shall submit to the National Parliament the proposed list of candidates for the election of the President and members of the Agency Council within 30 days from the date of entry of this Law into force.

The Council shall be established within 30 days from the election date.

Article 164

The Agency shall commence its operation on the date of registration in the Court Register.

The Agency Council shall pass the Statute of the Agency, Internal Procedure Manual of the Council, and the act on internal organization and systematization of labour positions and other acts necessary for the organization and conducting activities of the Agency within 30 days from the date of its establishment.

Article 165

The Agency shall pass acts specified in Article 15, Paragraph 1, Item 1), 2) and 3) of this Law within a year from the date of commencement of Agency operation.

Article 166

The Government of the Republic of Serbia shall pass the act on conditions for energy delivery referred to under Paragraph 1 of Article 71, and conditions for obtaining the status of a privileged power producer referred to under Paragraph 2 Article 84 of this Law within one year from the date of entry of this Law into force.

The competent body of a local self-government unit, town or City of Belgrade shall pass the act on conditions for heat delivery referred to under Paragraph 2 of Article 71 of this Law, as well as the act on conditions for obtaining the status of a privileged heat producer referred to under Paragraph 2 of Article 139, of this Law within the timeframe specified in Paragraph 1 of this Article.

Article 167

The Energy Efficiency Agency commences operations on the date of registration in the Court Register.

On the day of commencement of its operations, the Energy Efficiency Agency shall assume all assets, rights, obligations as well as employees taken over by the Ministry of Mining and Energy in compliance with the provision of the Article 14 of the Decree on Amendments to the Decree on the General Secretariat and other bodies of the Government of the Republic of Serbia ("Official Gazette of the Republic of Serbia, number 15/01, 16/01, 32/01, 64/01, 29/02, 54/02, 91/03, 95/03, 117/03, 130/03, 132/03, 23/04, 25/04 and 51/04).

Article 168

The Minister shall pass the act from Article 30 Paragraph 2, Article 32 Paragraph 2, Article 47 Paragraph 3, Article 50, Article 114 Paragraph 3 and 150 Paragraph 4 herein within one year from the date of entry of this Law into force.

Article 169

Enterprises and entrepreneurs registered in the Court Register on the day of entry of this Law into force that are engaged in activities considered to be energy activities in the context of this Law, shall harmonize their organization, operation and business activities with the provisions of this Law within six months from date of entry of this Law into force at the latest and, within the same timeframe, conclude contracts with competent bodies on defining rights and obligations in performing activities of general interest, in conformity with the law regulating organization forms and the manner of performing activities of general interest.

Article 170

The Government of the Republic of Serbia shall determine the models of organizing energy entities for performing energy activities which were performed by public enterprises founded by laws before the date of entry into force of this Law i.e. public enterprises that were established by those public enterprises for performing certain energy activities and pass foundation acts of energy entities that will perform those activities within six months from the date of entry of this Law into force, in conformity with this Law and the Law on Public Enterprises and performing of activities of general interest. ("Official Gazette of the Republic of Serbia, number 25/00, 25/02)

Article 171

By the foundation act of an energy entity for performing activities of power production, distribution and distribution system operation, and trade in power for tariff customers on the territory of Republic of Serbia, the Government of the Republic of Serbia shall define the principles of organization, rights and obligations of that entity with respect to the method of organization of performing each of those activities and define timeframes for conducting activities related to harmonization of operation and business activities with provisions of this Law.

By the foundation act of an energy entity for performing activities of power transmission and transmission system operation, the Government of the Republic of Serbia shall define the conditions and method of internal organization of performing activities of power transmission and transmission system operation and functional unbundling of certain activities while performing them, as well as timeframes for conducting of those activities.

In the procedure of passing of acts referred to under Paragraph 1 and 2 of this Article, the Government of the Republic of Serbia shall define the status and legal position of enterprises (societies of capital) established by public electric power enterprises for performing activities that are not considered energy activities in the context of this Law and shall define the method of effectuating founders' rights in those enterprises.

Article 172

By the foundation act of an energy entity for performing the activities of production, transportation, distribution, storing of and trading with petroleum, petroleum products and natural gas, natural gas transportation system operation, distribution system operation and storage system operation, the Government of the Republic of Serbia shall define the principles of organization, rights and obligations of that entity with respect to the model of organization of performing each of those activities and define the timeframes for conducting activities related to harmonization of operation and business activities with the provisions of this Law.

Article 173

Until passing the acts of the Government of the Republic of Serbia referred to under Article 171 and 172 herein, public enterprises established by laws and public enterprises established by those enterprises for performing energy activities, shall continue operations in conformity with regulations that were in force until the day of entry of this Law into force and with the foundation act.

Article 174

Until passing regulations referred to under Article 71 hereof, the Decision on General Conditions for Power Delivery shall be applied ("Official Gazette of the Republic of Serbia", number 39/01 – corrected text, number 65/03 and 130/03)

and the Decree on General Conditions for Natural Gas Delivery (“Official Gazette of Republic of Serbia”, number 60/93).

Until passing the tariff system referred to under Paragraph 1 of Article 70, hereof, the Decision on Tariff System for Power Sale shall apply (“Official Gazette of Republic of Serbia”, number 24/01, 58/01, 61/01 and 37/02).

Until passing the acts referred to under Paragraph 1 Article 70, and Article 71 hereof, regulations on general conditions and the tariff system will be passed by the Public Enterprise “Elektroprivreda Srbije” (Electric Power Utility of Serbia) in the manner and procedure prescribed by the Law regulating the legal position of public enterprises and carrying out activities of general interest and by the foundation act of the said public enterprise.

Article 175

Public enterprises, other forms of enterprises and entrepreneurs performing energy activities are obliged to obtain licenses for performance of energy activities within six months from the date of passing regulation referred to in Article 50 hereof.

Article 176

Energy entities for energy transmission, transportation, i.e. distribution and existing customers are obliged, within two years from the date of entry of this Law into force, to conclude contracts that shall regulate the conditions and manner of taking over measuring devices and measuring-regulating stations of customers, as well as methods of regulating property-related legal relations correlating to their taking over.

Energy entities referred to in Paragraph 1 of this Article are obliged to replace existing but defective measuring devices of energy customers not fulfilling required technical conditions and to maintain them as their own assets, calibrate them and provide regular measuring in conformity with the Article 54 of this Law.

The competent body of the local-self government, town or City of Belgrade shall define conditions, terms, procedures and deadlines for performing obligations referred to under Paragraph 1 and 2 of this Article related to heat delivery.

Article 177

Until defining the minimum annual energy consumption necessary to obtain the status of an eligible consumer in conformity with this Law, the minimum annual energy consumption necessary to obtain the status of an eligible consumer is 25 GWh for power, 50 million cubic meters for natural gas, i.e. 5000 GJ for heat.

Article 178

Until the entry of this Law into force persons who have passed the professional examination by means of which their professional abilities for performing activities defined in this Law were checked in accordance with regulations that were in force at the time when they passed the exam, as well as persons who were acknowledged the right to perform certain activities by those regulations, meet the requirements for performing those activities in conformity with this Law under the condition that they meet all other prescribed conditions.

Persons having not passed the professional examination, and on the day of entry of this Law into force perform activities for which a professional examination is required, may continue performing those activities until taking the professional examination if they meet other prescribed conditions, but not longer than for a two-year period from the date of entry of this Law into force.

Article 179

Before the Agency commences its operations, appeals from the jurisdiction of the Agency shall be solved by the Minister.

Article 180

Requests submitted before the entry of this Law into force, upon which a decision in the first degree was not made, shall be solved according to regulations that were in force at the moment of request submission.

Article 181

As of the date of entry of this Law into force, the following cease to be effective:

- 1) Law on Electric Power Utility (the Official Gazette of the Republic of Serbia No. 45/91, 53/93, 67/93, 48/94, 69/94 and 44/95), except for provisions of Articles 5-20 of the specified Law;
- 2) Law on Transportation, Distribution and Use of Natural Gas (the Official Gazette of the Republic of Serbia No. 66/91, 53/93, 67/93, 48/94, and 12/96).

Article 182

This Law shall come into force on the eight day from the date of publishing in the Official Gazette of the Republic of Serbia.