



Branislava Lepotic Kovacevic, Ph.D

ENERGY LAW IN SERBIA AND PANDEMIC COVID-19

EFELA Webinar

July 2nd, 2020

Consequences of Pandemic COVID 19 to the Serbian Energy Sector

CURRENT SITUATION

- Restructuring of energy demand
- No energy regulatory response so far
- No price response
- Operators working in crisis regime



EXPECTATIONS

- Restructuring of economy
- Changes in energy regulatory framework
- Energy poverty increasing
- Increased attention to energy security



PROBLEM OF SECURITY OF SUPPLY INCREASED

Impacts of the Pandemic COVID 19 are not the only adverse impacts

CLIMATE CHANGE EFFECTS TO ECONOMY AND TO THE PEOPLE

- Unstable weather conditions with frequent and rapid variation
- Drought – influence to agriculture sector and food resource
- Floods – high level of damages in agriculture sector and infrastructure
- No relevant preventive activities in regulatory framework yet



PROBLEM OF SECURITY OF SUPPLY INCREASED

Significant evolution in the regional strategic landscape during Pandemic

- Croatia LNG terminal capacity booked
- Turk Stream gas pipeline through Serbia receives regulatory approval
- Hungary MOL joins Turk Stream project
- EU announces Green Deal, ramping up pressure on lignite / coal fired power plants
- Kosovo TSO accession into ENTSO E and formation of the Kosovo – Albania regulatory block



PROBLEM OF SECURITY OF SUPPLY RECONFIGURED

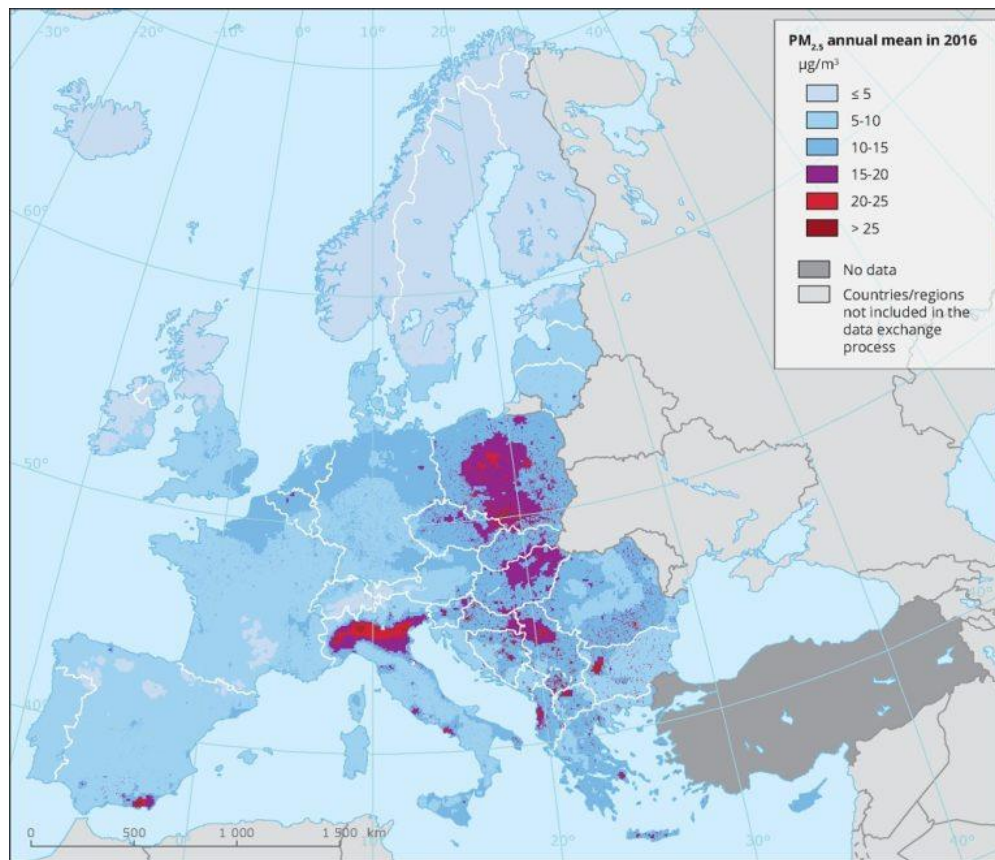
Interdependence between Pandemic COVID 19 and air pollution

- slightly increased long - term exposure to polluted air significantly increases mortality from COVID 19*

| | Total | PM2.5 <8µg/m ³ | PM2.5 >8µg/m ³ |
|--|-------|------------------------------|------------------------------|
| Counties | 3087 | 1217 | 1870 |
| COVID19 mortality per 100000 citizens | 3.4 | 1.6 | 4.7 |
| Average PM2.5 (µg/m ³) | 8.4 | 5.7 | 10.1 |
| Hospital bed per 100000 citizens | 242 | 300 | 204.2 |

Table source: Exposure to air pollution and COVID-19 mortality in the United States. Xiao Wu, Rachel C. Nethery, Benjamin M. Sabath, Danielle Braun, Francesca Dominici. medRxiv 2020.04.05.20054502; doi: <https://doi.org/10.1101/2020.04.05.20054502>

Map source: Claude Forthomme: COVID-19: Link with Air Pollution? Italy's and China's Experience, <https://impakter.com/covid-19-link-with-air-pollution-italys-and-chinas-experience/>



WHAT THE PANDEMIC BROUGHT to US?

- Uncertainty in daily life increased while daily activities seems simplified by *vis maior* effect
 - Uncertainty in energy law and guesstimate in the energy sector
 - Weaknesses in efficiency of response with relevant energy strategy adjustments and energy regulatory framework
- A need for rapid, short term, price and energy regulatory adjustments to control risks toward forthcoming winter



CONTRIBUTION TO THE SOLUTION



Knowledge and experience of Energy Law Associations
Supported by its Federation EFELA may support both crisis response and post-crisis recovery



branislava.lepotickovacevic@upes.rs

President of the ENERGY LAW ASSOCIATION OF SERBIA