

The Serbian Government adopted a Decree on limiting the price of natural gas in the next two months at the level from November 2021, thus protecting domestic consumers although global prices are skyrocketing since the start of Russian invasion on Ukraine.

The difference between the purchase and sale prices will be compensated for from the state budget. The decree proscribes the temporary measure of limiting the price of gas and the right to a compensation for the difference in the prices of natural gas imported to or produced in Serbia, which is used to calculate the price for the further sale and the basic price. However, the decree did not disclose the gas price, as it is a trade secret.

The decree also proscribes the entities which have the right to a compensation for the difference in the prices and the procedure of realizing the compensation right. The basic price of natural gas is the unit-price of natural gas either imported to or produced in Serbia, which is used to calculate the price for the further sale to suppliers, public suppliers and end consumers and is formed in the amount of the average unit-price of natural gas for November 2021.

The average unit-price of natural gas is the weighted unit-price of natural gas of all quantities either imported to or produced in Serbia in line with the long-term agreement on gas supply and the accompanying annexes for a single energy entity.

The basic price is implemented by energy entities which carry out the energy-related activities of supply of natural gas and wholesale supply of natural gas, as well as an energy entity which produces natural gas.