

Serbia: Higher electricity price as of September

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The price of electricity will most likely be increased by 7.7 to 7.9 % as of 1 September, because the analysis, done at the request of the International Monetary Fund (IMF), showed that the price of electricity production is higher than the sale price for households, according to Serbian media.

The results of the preliminary analysis, which was submitted to the Ministry of Mining and Energy, show that the situation is alarming and that the inevitable rise in electricity prices is imminent, because otherwise there is a danger of jeopardizing the financial sustainability of state-owned power utility EPS. It is clear that electricity prices, which also serve as a social measure, are unsustainable and must be changed, because otherwise EPS would have irreparable damage in long-term. All price changes on the regulated market must be approved by the Serbian Energy Agency (AERS), which said that it had not receive any request for price hikes so far.

The last increase in Serbia was in December last year, when electricity prices for residential and small business customers rose by 3.9 %. Currently, the price of electricity for this category of consumers is around 0.06 euros/kWh, without VAT.

Serbia has the lowest price of electricity in the region and in Europe. The price is 7.2 % lower compared to North Macedonia, 18.9 % lower compared to Bulgaria, 24 % lower than in Albania, while kWh of electricity is 71 % more expensive in Croatia and 120 % in Slovenia.