

The increase in gas prices for consumers in Serbia, which will follow on May 1, will not be due to market reasons, but solely due to the arrangement that [the Government of Serbia](#) made with the International Monetary Fund, Danas interlocutors emphasize.

As a reminder, the director of the Public Enterprise “Srbijagas” Dušan Bajatović announced a 10 percent increase in the price of “blue energy” for both households and the economy, which should follow in about a month and a half.

The second price increase, if there is one, as reported by the media, will not be before the last quarter of 2022 and certainly would not be double-digit.

Whether there will be another price increase, as Bajatović said, **will depend on the movement on the stock market**. He reminded that the price of gas on the market is around 500 euros for 1,000 cubic meters.

- According to the oil formula for two billion cubic meters of gas, which we receive based on the agreement of President Aleksandar Vučić and Vladimir Putin, which is two thirds of our needs, the current price is around 330 dollars for 1,000 cubic meters. It may happen that the income of Srbijagas will be such that the next price increase will be less or there may not be any at all - stated Bajatović.

He added that there are 200 million cubic meters of gas in reserve that are stored in Hungary and 286 million are pumped into our [underground gas storage in Banatski Dvor](#). Speaking at the Kopaonik Business Forum, the head of “Srbijagas” pointed out that the reason for the increase in gas prices is that “blue energy” is sold on the domestic market at a much lower price than the company pays for it to suppliers.

However, the expert public points out that what Bajatović claims cannot be an argument for the announced increase in gas prices in May and that there are simply no economic reasons for such a thing.

The only reason why gas prices will rise, when Bajatović stated that this would happen, as well as why he already raised the price by 11 percent for households on January 1, is Serbia’s obligation to the [IMF](#) in order to receive the agreed financial aid.

Economist Velimir Gavrilović tells Danas that the state of the gas market is not such as to cause an increase in its retail price in Serbia.

**The authorities say that our underground gas storage Banatski dvor, as well as the one we rent in Hungary, is full. So there are reserves.**

The price of gas on the market is lower than it was before, that is, it is decreasing. Also, we get two-thirds of the gas from the Russians under a long-term contract, and those prices are guaranteed and do not change depending on the movement of gas prices on the stock exchanges.

**It should also be said that the heating season is coming to an end and it will not be necessary to consume significant amounts of gas in the coming period.**

When all this is taken into account, it is clear that there are no market reasons for the

increase in retail gas prices in Serbia, but the sole reason for this is the agreement of the Government of Serbia with the IMF on taking new loans.

He adds that the announced increase of 10 percent is not large, but if it is known that due to the **economic crisis**, a number of other services and products in Serbia are also becoming more expensive, the increase in the price of gas will also represent a blow to the consumer's household budget.

Petar Bogosavljević, the president of the **Movement for Consumer Protection of Serbia**, agrees with his opinion, who emphasizes not only that there are no reasons for increasing the price of "blue energy" but that it should also become cheaper in our country.

It is known that oil prices on world stock markets are falling, and that the price of gas is linked to oil. Therefore, retail gas in Serbia should become cheaper.

Of course, there are no economic reasons for increasing the price of gas, but it will happen in May because it is part of the agreement between the Government of Serbia and the IMF. That agreement is bad for the interests of consumers because when it comes to costs, the burden is shifted to them in order to protect the interests of that organization and the financial sector whose interests it represents - states Bogosavljević.

Economic analyst Branko Pavlović tells Danas that the authorities in Serbia cannot choose because the contract between the Government and the IMF stipulates that the price of gas in the total amount, on four occasions, will be raised by 45 percent.

Accordingly, the price of gas has already risen by 11 percent in January. It remains to increase in price in May and November by 10 percent and in May of the following year by the same percentage.

Therefore, it is pointless to debate whether the [price of gas](#) is rising for economic or other reasons. It is clear that there are no economic reasons, but that the authorities in Serbia have legally committed themselves to act as determined by the IMF.

Therefore, the only thing that can be talked about is that the Government should try to convince the IMF that in the remaining period the price of gas will increase by a smaller percentage or that the increase in its price will be completely absent - says Pavlović.

By the way, the price of gas has already gone up once this year, on January 1, when its price for households and small consumers increased by about 11 percent. Accordingly, the current retail price of gas in Serbia is 4.5 dinars per kilowatt hour, when taxes and fees are included.

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