



Liquid oil fuels which are being used for internal combustion engines and energy fuels which exist on Serbian market have to meet demands regulated by The Rule Book for technical and other demands for liquid oil fuels ("Sluzbeni glasnik RS" , number 64/11). Republic of Serbia's obligation to implement The Council Direction 1999/32/EC, which refers to sulfur content decrease in some liquid fuels, was signed with a law for contract ratification about foundation Energy Association of EU, Republic of Albania, Republic of Bulgaria, Bosnia and Herzegovina, Republic of Croatia, Ex Yugoslavian Republic of Macedonia, Republic of Montenegro, Romania, Serbia and United Nations' Temporary Kosovo Mission ("Sluzbeni Glasnik RS, number 62/06) since 26 April 1999 (in further text: Direction).

Deputy Minister of Energy, Development and Environment, Professor Petar Stanojevic gave necessary explanations for The Rule Book innovations so that the interested would get the full information.

Liquid oil fuels which properties are not completely in accordance with European standards like unleaded motor PREMIUM BMB 95, diesel fuel D2, diesel fuel D2S, diesel fuel D1E and gas oil EKSTRA LAKO EL are planned to be put on Serbian market next to European quality derivatives, until 31 July 2013, by The Rule Book and other demands for liquid oil fuels.

Consumption of its stock will be possible until certain deadline because oil derivatives market participants still possesses this derivatives in its storage capacity.

Heating Oil Medium S and Heating Oil Medium T are also said to be put on market since 31 December 2015, although its characteristics are not in accordance with Directive demands considering additional investments of refinery plants in sulfur content decrease. If "NIS" a.d. was prevented to place heating oil on market in investment period, it would cause complete cancellation of all derivatives required for Serbia consumers.

Requirement to ensure non euro diesel fuel for army vehicles, trucks and working machines was also identified next to obligation to implement Directive in national law. Because of that, Diesel fuel GASNO ULJE 0, 1, which is especially used for trucks, working machines, army vehicles and diesel motor ships, is planned to be on Serbian market since 1 August 2013 with The Rule Book. The maximal sulfur content of 1000mg/kg in this oil derivative is ten times smaller than diesel fuel D2, D2S and D1E and completely in accordance with Directive demands.

The need to put additive fuels on market and possibility for traders to mark it with commercial names were also identified by The Rule Book.

Having on mind that oil derivatives which are not compatible with European quality are going to be withdrawn from market on July 2013 according to The Rule Book, oil derivatives prices increases for consumers which exceed to higher quality oil derivative consuming.

Estimation of 2012 spending shows that total motor fuel spending was about 422.000 tons

in Serbia, 83% of that (351.000tons) is Premium BMB 95 spending and 17% (71.000 tons) is Euro Premium BMB 95 spending.

Estimation of diesel fuel spending is about 1.393.000 tons, 31% (433.000 tons) of that is diesel fuel D2 spending and 69% (960.000 tons) is Euro diesel spending.

The price for D2 consumers will grow for 4, 3 % (6.5 din/lit), and for Premium BMB around 5, 3% (8 din/lit).

Considering the fact that diesel fuel D2 is mostly used for agriculture, industry and army needs, the new derivate was planned by The Rule Book- diesel fuel GAS OIL 0.1 which has lower price 29, 5 USD/ton (January-November 2012 cut, CIF MEDITERIAN BASIS GENOVA/LAVERA part). The lower price is being kept by including of this derivate.

If diesel fuel GAS OIL 0.1 import expenses are equal to Euro diesel expenses and retail price keeps the alleged 29, 5 USD/ton difference, savings for agriculture, industry and army will amount about 1, 1 billion dinars. Market will determine this product requirement and its price.

*Source Serbia Energy Magazine*