

## **The transmission and market operators of Bulgaria and North Macedonia signed a Memorandum for day ahead market coupling with horizon 2022**

Electricity System Operator EAD (ESO), Electricity Transmission System Operator of the Republic of North Macedonia - Joint Stock Company for Electricity Transmission and Power System Control of North Macedonia (MEPSO), Independent Bulgarian Energy Exchange EAD (IBEX) and National Electricity Market Operator Ltd (MEMO) signed a Memorandum of Understanding with which the parties officially declared their intention to make all necessary efforts for the day ahead market coupling between Bulgaria and North Macedonia. The project shall be implemented in accordance with the European target model, in cooperation with SDAC bodies and in accordance with the approved common roadmap.

The market coupling project was restarted in September this year after the MEMO was designated as the nominated electricity market operator for the territory of North Macedonia.

The integration of short-term market segments is key to the development of the electricity market within each bidding area. The implementation of a single European market is a leading step for the efficient use of resources, being a prerequisite for the successful transition to low-emission electricity generation imposed by the new European policy and the leadership taken in the fight against climate change.

Southeast Europe region is characterized by a large number of non-EU countries which makes the completion of market integration in the region challenging.

The project parties strongly believe that the successful market coupling between Bulgaria and North Macedonia is of paramount importance for successful market integration throughout the region.

### ***Background***

*The beginning of the initiative dates back to March 2018, when in Sofia, under the auspices of the Western Balkans 6 project, a Memorandum of Understanding was signed between MEPSO, the Energy and Water Services Regulatory Commission of the Republic of North Macedonia, IBEX and ESO, which launched the pilot project aiming at day ahead market coupling between the two countries. The first meeting with the representatives of all project parties is held in April 2018 in Sofia. Representatives of the Ministry of Energy of the Republic of Bulgaria, the Ministry of Economy of the Republic of North Macedonia, the Energy and Water Services Regulatory Commission, as well as representatives of the Secretariat of the Energy Community, supported by a consulting consortium, also took an active part in it.*