

Press release

Huge potential for Demand-Side Flexibility in the Central and Eastern European markets

Brussels, 28 April 2023: Yesterday, smartEn – Smart Energy Europe hosted [a webinar](#) to dig into the huge potential of demand-side flexibility (DSF) in Central and Eastern Europe (CEE) together with industry representatives from [Nano Energies](#) and [Navitasoft](#) who offered their perspective on the complexities of the region.

The discussion was based on the [2022 Market Monitor on Demand-Side Flexibility](#) drafted by smartEn and [LCP Delta](#). This report provides a high-level summary of 30 European markets and their DSF market activity, the regulatory progress to enable it, the development of local flexibility and energy communities, the potential market size of flexibility and possible future developments.

While CEE markets face many limitations and regulatory barriers which are hindering their openness, they still hold significant untapped potential and have made some recent positive developments.

Commenting on the status quo, **Andrés Pinto-Bello Gómez**, Head of Research and Projects at smartEn, stated: *“It is of key importance to implement immediately and correctly the 2019 Electricity Market Design in the CEE region to open the doors to independent aggregation in the region and to enable the participation of DSF in all markets.”*

The current main markets for DSF in the CEE region are the ancillary services, which are mostly open to demand-side resources and aggregation, with the exception of Poland. On a distributed level, the CEE region replicates Western Europe, with very limited procurement by local system operators of demand-side flexibility. However, future opportunities lie foremost in Poland, which is currently closed to DSF but with one of the largest needs for flexibility in the region, and in Hungary, which is significantly improving its market design.

Jan Novák, Chief Product Officer at Nano Energies, said: *“Since Nano Energies already operates its virtual power plant on multiple markets in the CEE region we see there is a huge opportunity for demand response customers to generate additional revenues while participating in ancillary services for local TSOs.”*

Kornél A. Balogh, Head of Business Development at Navitasoft, added: *“Opportunities for demand response services are increasing across Eastern European countries. Cost efficient digitalisation of end to end market processes remain crucial for improving liquidity and competition. TSOs are already taking the lead in digital automation, while DSOs need better incentives and recognition of opportunities from regulators and policy makers.”*

Contacts and Media Enquiries

Anna Sylikou
Press & Communications Officer

About smartEn - Smart Energy Europe

smartEn is the European business association integrating the consumer-driven solutions of the clean energy transition. We create opportunities for every company, building and car to support an increasingly renewable energy system. Our membership consists of the following companies:

