

## **Abstract**

This thesis analyzes the challenges associated with the countries in socioeconomic and political transition when on the path of integrating into the developed world unions or on the path of fulfilling projected renewable energy targets. As an example country, or as a study case here, The Republic of Serbia has been selected. The thesis addresses the question of how the Renewable Energy Market in Serbia is developing and how are the challenges being addressed.

Thesis reveals that main obstacles come from the ownership of the energy and the power grid assets which are still entirely owned and controlled by the State. Due to this fact it is hard to introduce the planned renewable projects, mostly to be developed and owned by foreign entities, and at the same time to be forced to reduce domestic power production out of the thermal power plants. However, by being on the path to the EU, the renewable energy targets and the RES (Renewable Energy Sources) market have to be accomplished and the government has to show full legislative and policy support. It is also realized that there is a significant discrepancy between the “say and do” in the case of The Republic of Serbia, at least so far. The thesis highlights the important driving factors that, despite of the local resistance and sluggishness, contribute to continuous progress and push towards the RES market development and for reaching the final goals in The Republic of Serbia.

**Keywords:** Serbia, Renewable Energy, Energy Market Development, Political Economy, RES policy, emerging markets