



Republika e Kosovës
Republika Kosova-Republic of Kosovo
Qeveria-Government

Ministria e Zhvillimit Ekonomik/Ministry of Economic Development



PLANS TO ESTABLISH AN ENERGY EFFICIENCY FUND IN KOSOVO

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Main stakeholders in the sector



- **Ministry of Economic Development / Department for energy – responsible for Energy Efficiency policy**
- **Agency for Energy Efficiency – responsible for implementation of KEEAP 2010-2018**
- **Ministry of Finance/ referring their responsibility for state budget and sovereign guaranty for loan**
- **Others .. Donors, IFI and Local commercial banks – as a potential financial sources**

Responsibilities for implementation – public sector



- In central level // Institutions such as ministries, agencies etc. are responsible for implementation of energy efficiency measures in public buildings
- In local level // Municipalities are responsible for preparing the Energy Efficiency municipality plans and implementation of energy efficiency measures in public buildings

Policy framework – current situation



- **Energy Efficiency - part of the Energy Strategy of Kosovo 2009-2018**
- **Kosovo Energy Efficiency Action Plan 2010-2018**

Moreover, Energy Efficiency

- **is subject of draft National Development Strategy for Kosovo (2016-2021) as well as**
- **and subject of the Progress Report of European Commission for Kosovo**

Legislation framework – current situation



- **The current law for EE - can not be used as a legal framework for the establishment of the EE Fund**
- **Draft Law for EE (Article 14) has defined creation of the EE Fund**
- **No legal framework to create ESCO**
- **Limitation for municipalities - borrowing restrictions**

The potential for energy savings – building stock study

- By realizing the energy efficiency potential in the building sector, Kosovo can save 239 ktoe, of the following contributions:
 - 116 ktoe of electricity;
 - 76 ktoe of fuel wood,
 - 35 ktoe of diesel and heating oil by-products;
 - 7 ktoe of coal/lignite;
 - 5 ktoe of heat

The potential for energy savings



Building Sector	Building Sector Total Area [million m ²]	Building Sector Total Area [%]	Energy Savings Potential of Building Sector as % of Final Energy Consumption	Energy Savings Potential of Building Sector as % of Primary Energy Supply	Total Energy Savings Potential [ktoe]	Total CO ₂ Reduction Potential [thousand ton/year]
I. Residential	34.72	76.9%	45%	7.86%	171.74	2236.76
II. Public Municipality	2.36	5.2%	32%	0.77%	16.77	35.96
SCHOOLS	1.69	3.7%	37%	0.50%	10.90	23.37
HEALTH	0.39	0.9%	37%	0.15%	3.35	7.18
OTHER BUILDINGS	0.28	0.6%	30%	0.11%	2.52	5.40
II. Public Central	0.18	0.4%	49%	0.16%	3.60	10.28
CENTRAL HOSPITALS	0.05	0.1%	45%	0.05%	1.12	3.20
CENTRAL GOVERNMENT	0.14	0.3%	50%	0.11%	2.49	7.08
II. Private & Commercial	7.86	17.4%	46%	2.15%	46.95	102.04
TOTAL	45.12	100.0%	20.07%	10.94%	239.05	2385.03

Table i: Summary of Energy Savings Potential Calculated per Type of Building (..Technical study .. Energy-Environmental Consulting Group shpk, Kosovo Branch

Main proposals from previous study

Revolving Fund Concept



are foreseen two models:

- **Structured financial instruments (investment agreements with budget organizations) for investments in public buildings – direct investment in EE**
- **Credit portfolio guarantees, which will be placed through the Kosovo Credit Guarantee Fund (a public agency in the process of being established) – thus stimulating indirect investment in EE by the private sector**

Main proposal according to the WB study



- Budget financing with capital recovery...
- Utility on – bills financing
- Energy efficiency revolving fund
- Credit lines dedicated to EE and
- Super ESCO-s

The need to EE Fund - YES



- Taken into consideration the current obligation with regard to the KEEAP 2010-2018 and
- Obligation for transposition and implementation of EE Directive 2012/27/EC – new target for upcoming years...
- Hugh saving potential in different sector
 - Service sector - around 30%
 - Households sector – more than 40%

How??



- Using as a baseline the recommendation from different studies ..
- Pushing forward the new Energy Efficiency Law which include creation of energy efficiency fund
- Working closely with different stakeholders as well as with donors and IFI to allocated financial sources
- And trying to share the benefits, responsibility and the risk between different stakeholders .. some schemes are under discussion..

Thank you for your attention!