# **Kosovo Energy Efficiency Project**

is a module of German development cooperation implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

### The benefits of EE

Improving energy efficiency (EE) in Kosovo reduces energy consumption, energy costs, as well as CO2 emissions, while at the same it enhances the quality of life, public health and services for citizens.

Project name	Kosovo Energy Efficiency Project
Commissioned by	Federal Ministry for Economic Cooperation and Development (BMZ)
Project region	Kosovo
Lead executing agency	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).
Partner	Ministry of Economic Development / Kosovo Energy Efficiency Agency/ Ministry of Environment and Spatial Planning
Duration	01/2017-12/2019
Budget	2,5 million EUR

## **Challenges**

Ensuring a reliable and affordable energy supply in the country is a high priority for the Government of Kosovo and a necessity for economic growth. However, the government is facing enormous challenges such as a continuously rising demand for electricity and heating, while at the same time there are limited capacities of the existing power plants and supply bottlenecks appear. Currently, 96% of electricity is generated from old and inefficient domestic lignite-fired plants, which are associated with high environmental pollution. Nearly 40% of the energy is used by the building sector, using on average two times more energy per square metres compared to EU average.

The poorly insulated housing sector is causing high energy intensity. Often heating with firewood or lignite is contributing to significant air pollution, especially in urban areas, as well as to an unsustainable deforestation.

EE is commonly considered as "first fuel", with its energy savings completely eclipsing most forms of generation costs. For Kosovo, the increase in EE is therefore an important goal. As a member of the EU Energy Community, the country has committed itself to implement the energy chapter of the EU aquis communautaire. Hence, the Government of Kosovo is aiming to reduce energy consumption in energy-relevant sectors by 9% until 2018 in relation to the average energy consumption of 2003-2007.

In order to achieve the committed targets, municipalities must play an active role and serve as role models for its citizens. Besides an existing but incomplete legal framework (EE law and the national EE Action Plan), only few measures have been implemented to improve EE. Therefore, the capacities of the national actors for efficient implementation of EE measures must increase.Our approach

The objective of the project is to improve the capacities of relevant actors for the efficient implementation of EE measures. The project supports selected municipalities, as well as the central level institutions to improve the conditions for the EE sector. The module focuses on improving the regulatory framework in the EE-sector, such as national building standards and regulations including e.g.: energy certification of buildings and a national calculation methodology of energy performance in buildings. Capacity building for the national EE agency sets the precondition for sustainable policy development of EE, EE action plans and the fulfilment of the EU acquis communautaire.

#### Fields of action

- Support to the national EE Agency (KEEA) in improving the regulatory framework for energy efficiency. The KEEA prepares proposals to improve the national normative and regulatory framework for the implementation of EE measures
- Capacity building for EE service providers such as energy auditors and energy managers. Private and/or p ublic academic institutions are established and provide training programs for energy service providers.
- Introduction of EE instruments in selected municipalities
  to enable planning and prioritization of EE measures in municipal EE action plans as well as their implementation and monitoring.
- Enhancing technical and political dialogue on EE
   by establishing a regular professional and / or political ex change of relevant actors from politics, civil society, academia and the private sector to promote EE.

#### **Success factors**

By establishing an inter-ministerial sector steering group, the project facilitates evidence-based decision-making processes in order to build an EE market. It assists its partners with an increasing policy pressure regarding the implementation and transposition of obligations set by the Energy Community. The latter is highly significant as long as the integration process remains a priority for Kosovo and includes e.g. the new National Energy and Climate Plan. At the same time, the project raises awareness of the high relevance of EE to authorities and the public, by promoting the political and technical dialogue on EE in cooperation with the civil society.

A professional exchange with municipalities spreads the gained experiences and standards nationwide in order to conduct EE planning and implementation. Local authorities and energy managers are now able to carry out their tasks.

The module contributes to prioritizing investments for the rising public sector EE funds and increasing investments in EE. Strengthened implementation capacities of private and public

actors lead to accelerated implementation of EE standards in Kosovo and can unlock potential energy savings in the residential sector up to 50%.

# An example from the field

By capacitating local training institutions, the project sets the groundwork in Kosovo to establish a sustainable and accredited training and certification scheme.

Around 30 trainers are capacitated to train future energy auditors for the building and industry sector, as well as, 38 municipal energy managers are being trained under the umbrella of establishing municipal energy management systems. Trainers will be certified to maintain the quality and sustainability of capacity buildings. Newly trained energy managers will be engaged in development of the Municipal Energy Efficiency Action Plans. These plans identify and prioritise public EE investments, such as renovations of public buildings or replacing street lighting with high efficiency LED lighting. These investments and savings are regularly monitored and reported to the national level to enable further policy making.

# **Digitalisation**

A web-based software (Energy Management tool) is currently being introduced to all Kosovo municipalities and to the national level. It serves as tool for energy data processing and analysis and as a precondition for EE investment decisions, as well as for developing EE action plans and monitoring their implementation. On this basis, municipal energy management is established and functional. Investment decisions are taken based on transparent and simplified processes, while results are measurable and traceable

Further, the project capacitates a so-called **Monitoring and Verification Platform (MVP)** in close cooperation with Open Regional Fund for EE. The MVP enables to monitor implemented projects and generates reports which are related to: achieved energy savings, CO2 emission reduction, investments and source of funds. It helps KEEA to monitor the implementation of National Energy Efficiency Action Plans (NEEAP) and supports the decision makers to set accurate targets and budgeting plans.

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