



Second NALAS task force meeting on energy efficiency

Energy efficiency in Kosova Overview and challenges



Background

- Kosovo is looking forward to renewed economic growth, increased opportunities, and an enhanced quality of life arising in part from the development of the energy sector
- At the moment, the power sector relies on only two thermal power plants that produce 97% of overall energy production.
- Coal reserves in Kosovo are estimated between 11.55 -14 billions ton
- On 25th October 2005 the Europe – and nine Balkan countries and UNMIK on behalf of Kosovo – created the legal framework for an integrated first ever multilateral treaty in South East Europe which was signed in Athens – so called Energy Community Treaty



Legal Base

- **Law on Energy No. 2004 / 8**
This law defines the basic principles for an energy strategy and energy programmes in Kosova;
- Article 9 of the law emphasizes that: an energy efficiency policy shall be an integral part of the Energy Strategy...
- **Draft Law on Energy Efficiency**
This draft law sets forth the basic principles for efficient use of energy, aiming to set up an authentic legal basis for efficient use of energy, as well as incitement of the use of renewable energy sources in Kosova.

Remark: Due to the financial implications in the Kosova Budget with the establishment of the Kosova Energy Efficiency Agency as foreseen by the law, the draft law on Energy Efficiency is pending and has not yet been approved by the Kosova Assembly

Alignment of the EE legislation with EU Acquis



- The energy policy can be considered highly important under the umbrella of the *Acquis Communautaire*. The EU Commission indicated energy to be a key factor for Europe's competitiveness and economic development

- Prominent local and international experts during the process of drafting have ensured that the Law on Energy Efficiency is compatible with EU legislation, specifically with reference to the Directives on energy efficiency for provision of necessary incentives and improvement of the energy efficiency in all consuming sectors

- **The Directive 2004/8/EC, amending Directive 92/42/EEC aiming on saving energy and improving security of supply, Directive 2002/91/EC on the Energy performance of buildings** and other important EU Directives on this field were taken into consideration

Governmental Policy, Strategy and Programmes



- ❑ **Law on Energy No. 2004 / 8**
- ❑ Energy Community Treaty (**EnCT**)
- ❑ Kosovo Energy Strategy (**KES**) 2005-2015
- ❑ Programme for the implementation of KES for period 2006-2008
- ❑ Kosovo Programme for Energy Efficiency and Renewable Energy Sources (**KPEERES**) for the period 2007-2009
- ❑ Municipal Action Plan for KPEERES for the period 2008-2010
- ❑ Administrative Instructions for EE & RES



Key players

- ❑ Ministry of Energy and Mining (MEM),
- ❑ Energy Regulatory Office,
- ❑ KOSTT JSC, (Transmission, System and Market Operator)
- ❑ KEK JSC,
- ❑ Ministry of Environment and Spatial Planning (MESP),
- ❑ Ministry of Labour and Social Welfare (MLSW),
- ❑ Agency for European Integration,

- ❑ Donors

Remark:

- ❑ *MEM is coordinating all activities in the framework of Kosovo participation in the EnCT.*
- ❑ *The Energy Working Group (EWG) is the country forum for assessing the progress of obligations towards EnCT*

Kosovo program for energy efficiency and renewable energy resources 2007-2009 (KPEERES)



- It is based on the energy development strategy 2005-2015 and the Law on Energy, 2004/8, Article 10, which provides the framework for the implementation of energy efficiency and renewable energy in Kosovo.

- The program identifies six different areas of activity starting from:
 - "House in order"
 - Residential sector
 - Industry
 - Transport and agriculture
 - Education
 - Finally potential for energy efficiency in the power generation sector



Municipal action plan 2008/2010 (MAP)

- ❑ MAP was adopted by AMK (supported by GTZ) and in accordance with regulation for local self-government 2000/45
- ❑ The MAP is a selection of projects and activities within KPEERES 2007-2009 which are related to municipal responsibilities.
- ❑ It's focus is to promote and implement energy-efficiency programmes on the local level in order to enhance energy production and distribution by energy savings.



Other administrative Instructions for EE & RES

- **Administrative Instruction 10/2008 on labeling of electric household appliances which will enter in force in June 2009**
 - This Administrative Instruction regulates labeling of electrical household appliances, responsible entities for labeling and control, as well as other characteristics of these appliances in order to inform consumers of electricity consumption and other important specifications for energy efficiency

- **Administrative Instruction 03/2007 on Energy auditing**
 - In 2008, MEM in cooperation with EAR has completed the first phase of training of energy auditors “ Basic energy audit”; the next phase “Advanced energy audit” is foreseen to be completed before June 2009, supported by GTZ

Energy auditing

- ❑ All of those institutions that are fully or partly financed from Kosovo Budget are obliged to make energy audits every three years if their annual energy consumption is more than 20 toe.
- ❑ Simple audit – all energy consumers
- ❑ Standard audit – annual energy consumption from 20 to 50 toe.
- ❑ Comprehensive audit – annual energy consumption more than 50toe.
- ❑ Auditor report on energy audit should be submitted to audited consumer and a copy to the MEM (it's obligatory)

EE capacity building and project implementation on the municipal level



- MEM is currently in the process of building capacity for energy managing and auditing on the municipal level.
- 30 municipalities will participate in this programme and 60 members will be trained.
- In regard to the EE project implementation - since 2006 the AMK and Kosovo municipalities in co-finance with GTZ have implemented 40 projects in the field of energy efficiency



Energy sector represents 'backbone' of economic development of Kosovo, for decades to come.

ENERGY / GEOPOLITICS

- Safe, reliable power supply based on domestic fuel
- Energy Provider to the region

ECONOMY

- Positive influence on overall economic development
- Kosovo Budget gains through Royalties and Taxes
- Positive third businesses: Sub-contracted works, Service Supplies
- Benefits divided between central and local level – Economic boost to municipality



ENVIRONMENT & SOCIAL IMPACT

- ❑ Visible reduction of CO2 emissions by improvement of environmental performance in existing TPPs.
- ❑ New TPP build in full compliance with EU directives / will replace TPP Kosovo A.
- ❑ Elimination of inherited environmental legacy issues from the past. Ash and Overburden dumps.

- ❑ Keeping current TPP A employees due to extension of operating life
- ❑ New jobs during construction of TPP Kosovo C, and
- ❑ Long term jobs during operation and maintenance of new TPP and mine



Awareness!

- Energy efficiency doesn't mean freezing in the darkness!
- Every kWh saved by efficient use of energy it's equal with building new capacity to generate that energy.
- High cost to build new energy generation plant justifies any form of investment, support and incentive for energy efficiency - energy savings.



THANK YOU FOR YOUR ATTENTION!

Questions!

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