



# WB6 Sustainability Charter

Energy Community Secretariat

PHLG meeting

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## WB6 Sustainability Charter

WB6 signed the Sustainability Charter (Paris, July 2016) to pursue a transition towards a **low-carbon and sustainable energy** sector. Priorities:

**1. Improve energy efficiency governance**

**2. Develop and implement smart support measures for renewable energy**

**3. Foster climate action and transparency of sustainable energy markets**



# WB6 Sustainability Roadmap & Monitoring Report

To kick-off the process, the EnC Secretariat was tasked to:

- Develop a **Sustainability Roadmap** → up to 2018
  - ✓ **14 main measures** and **55 output indicators**;
  - ✓ To be used for country **reporting & monitoring**;
  
- Publish regular progress reports** → outlining achievements and challenges ahead:
  - ✓ **Questionnaires** shared with WB6 PHLG members and relevant interlocutors;
  - ✓ **First round of interviews**: Nov 2016 (Albania, Montenegro, Serbia);
  - ✓ **Second round of interviews**: Jan/Feb 2017 (BiH, FYR of Macedonia, Kosovo\*);



## WB6 Sustainability Monitoring Report - improving EE governance

### Developing markets for energy services (ESCO)

- REEP support in Serbia, Montenegro, and BiH; Public ESCO projects in Serbia
- TA important and work on regional level - exchange of best practices (EECG)

### EPBD implementation and buildings rehabilitation

- EPBD transposition: ongoing in all WB6, focus on secondary legislation
- Rehabilitation programmes should be extended (from public to residential)

### Developing new or converting existing DHC systems using RES

- Methodology and comprehensive assessment according to Directive 2012/27/EU
- Results of WB/ECS Study on Biomass-based Heating in the Western Balkans available!
- TA needed (planned under IPA in Serbia and Montenegro)!

### Analyzing establishment of fin. mechanisms, incl. state EE funds

- Paris Summit: EUR 50 mil. for EE in residential sector (REEP Plus/GGF/KfW)
- WB assistance: option papers and concept of EE Revolving Funds
- EERF: ongoing activities in Albania, BiH and Kosovo\*

**Extended REEP-Plus Programme (2017-2019) can support most of EE measures: EBRD/ECS sent letters to Ministers; expressions of interest needed by 30 December 2016!**



## WB6 Sustainability Monitoring Report – Smart support measures for renewables

The introduction of **market-based support scheme** is a major **challenge** in all WB6 countries:

- Limited progress with draft legislation (e.g. Montenegro, Albania);
- No implementation; delay in establishing of organized day-ahead market;
- The complexity of market-based schemes requires ad-hoc training and adjusted timeframe;

Relevant **progress** in establishing **education on renewable energy and energy efficiency**:

- Most of WB6 developing Masters, PhD, and laboratories with the aim to educate a new generation of skilled experts in RE and EE;
- Professional trainings and accreditation also being offered in the region;



## WB6 Sustainability Monitoring Report – Foster climate action

The introduction of a **clearly defined, legally binding MMR** system for GHG emissions data collection is a key challenge:

- The mechanism for monitoring and reporting is working on an **informal basis** in most of the WB6, due to a lack of institutional arrangements;
- Proper legal regulations to fully define competences and responsibilities in this area are needed; quality assurance and control of input data should also be prioritized;
- Lack of human capacity is a major constraints;

Positive developments in most of WB6 countries in elaborating climate change strategies:

- A number of ongoing cooperation initiatives focus on the development of climate-resilient, low-carbon strategies;
- Many INDCs are currently being revised and updated, putting a price on measures;
- Civil society has been increasingly involved in the drafting process of national climate strategies;



## WB6 Sustainability Monitoring Report – Transparency of energy markets

The establishment of focal points and single administrative contact points for investors are two key challenges:

- The focal points should work closely with the Secretariat and develop a list of measures and a roadmap meant to increase investors' confidence. The measures must include incentives and facilities for investors in the renewable energy sector;
- The single administrative contact points for investors should provide English language guidelines and administrative and legal support for investors.

Positive developments in most of WB6 countries:

- The chambers of commerce and business associations are very active and have an important role in disseminating information to the investors;
- Investment promotion agencies do exist, however they should also focus on investment in renewable energy and provide meaningful support to investors;



Thank you



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