

WESTERN BALKANS REGIONAL ENERGY EFFICIENCY PROGRAMME (REEP) POLICY SUPPORT

KOMMUNAL
KREDIT
PUBLIC CONSULTING

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REEP Policy Support – Introduction Consultant



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GEFF - Management of EBRD's Green Economy Financing Facility since 2017: 18.000 loans, 100 Mio. investments, 17 Mio. incentives, 25.000 tCO₂ saved per year, several multi-apartment buildings financed.



Enova (Bosnia and Herzegovina)

EU4Energy - Technical assistance to the energy sector: providing technical assistance for Bosnia and Herzegovina in undertaking systematic energy sector reforms.



RES Foundation (Serbia)

Smarter stoves partnership - regional project aimed at providing evidence for sustainable heating options in the Western Balkans
Provided analysis of EU energy related support to the Western Balkans aimed at increasing support to energy poor.

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REEP Policy Support – general overview

The policy support window was developed to assist beneficiaries to fulfil their obligations under the Energy Community Treaty in transposing and **implementing the energy efficiency acquis**.

The objective is to **support policy reforms** that enable and sustain the market for investments in energy efficiency for end-users at all levels such as households, corporates, public utilities, municipalities, governments.

Activities under the current REEP phase has started in Q1 2024 and will be planned according to REEP strategic goals and beneficiaries' requests in key policy domains such as:

- **Primary and secondary legislation** governing energy efficiency in accordance with the **EED, EPBD and Eco-Design/Energy Labelling** regulations
- **Primary and secondary legislation** in accordance with the policies to support **investments in energy efficiency in the residential sector** (example: consumption based billing, regulation on housing associations, etc.)
- **Tools for implementation, compliance and enforcements**
- **Capacity building**



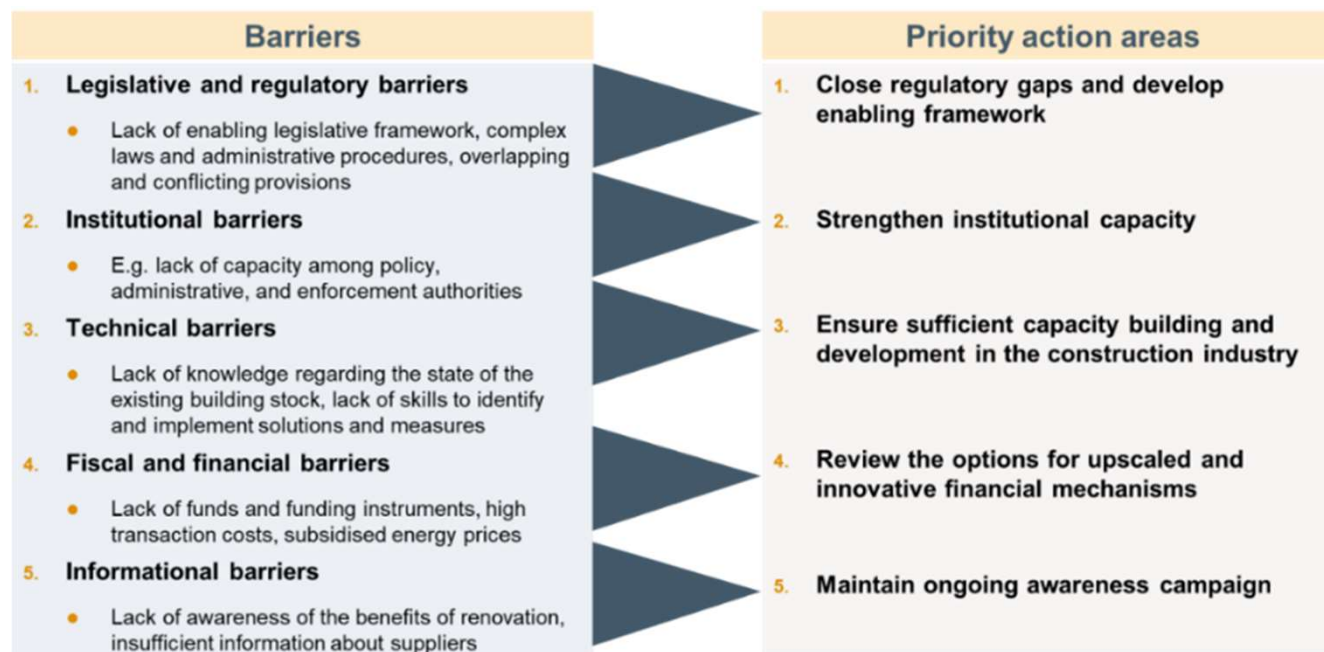
REEP Policy Support – potential areas for support

- Finalisation/development of the legislation on energy performance of buildings
 - national database for EPCs, inspection reports (EPBD 2018/844 Article 6a/10)
 - setting up and/or further development of independent control system for EPCs, inspection reports (EPBD Article 18)
- Multi-apartment buildings (legal framework for housing associations; one stop shops, etc.)
- Contribution to the long-term renovation strategy (EPBD 2018/844 Article 2a)
- Metering for heating, cooling, and domestic hot water (sub metering, cost allocation, remote reading, (EED 2012/27EU Article 9a, 9b))
- Contribution to Energy Saving Obligations (EED 2012/27EU Article 7a, 7b)
- Contribution to assessment of the potential of efficient heating & cooling (EED 2012/27EU Article 14)
- Development of financial support schemes
- Eco-Design/Energy Labelling: market surveillance, conformity assessment bodies, etc.
- Capacity building, trainings
- Support in the update of strategic documents in the context of the EE Aquis.



REEP Policy Support – building sector

The building sector accounts for **over 40% of total energy consumption** in the Western Balkans and this sector is crucial to achieve national as well as European climate goals.



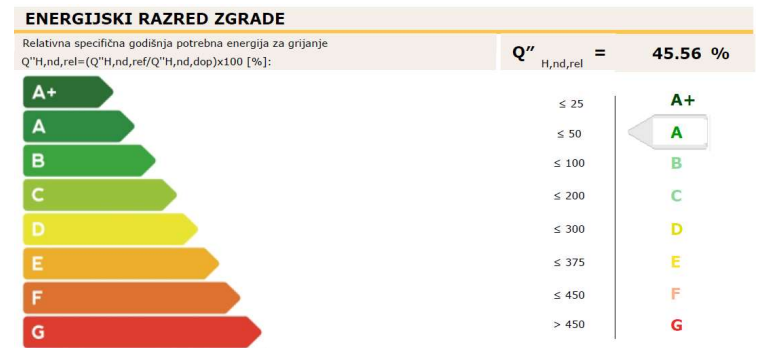
Strong and effective cooperation between relevant Authorities/Ministries is required to ensure results are achieved on the ground.

REEP Policy Support – building sector

To achieve the required **refurbishment rates** and **nZEB** many barriers need to be overcome in the local markets. One of them is the **low awareness** of energy efficiency in buildings and the **low level of trust** in Energy Performance Certificates. The aim is to increase the market demand for high energy performing buildings.

Based on an internal assessment in the framework of GEF for Western Balkan countries with sufficient EPC data:

- Most of the newly constructed multi-apartment buildings have an EPC
- Only around 10-15% of newly constructed single-family houses have an EPC
- EPCs are rarely issued/available for refurbished buildings
- a trend towards high performing buildings (HPB) can be observed, in particular for MABs.
Example Serbia: 15% HPB in 2022; 21,5% of HPB in 2023
- Energy Classes are not comparable among the countries in the WB region
(Example for energy class requirements for new buildings: Albania Class B; Serbia Class C)

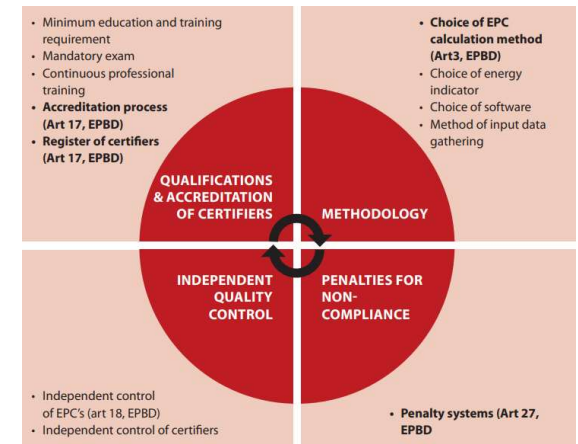


REEP Policy Support – example: quality control EPCs

The EPBD (Article 18) requires an **independent control system** which ensures that EPCs are issued in a correct way. The implementation of such a quality assurance system is crucial to increase the level of trust for people who are purchasing an apartment/single-family house but also for financial institutions financing energy efficient buildings.

Key elements of a functioning quality assurance system:

- Transparent regulatory framework
(incl. publicly assessable central register of EPCs and auditors)
- Selection of an independent body responsible for quality control
- EPC software/or EPC registry to be able to perform automatic validation of input data (level 1)
- Quality control of input parameters + EPC results for a sufficient number of EPCs (level 2)
- Quality control of input parameters + EPC results + on site check for a sufficient number of EPCs (level 3)
- The outcome from the quality control system (common errors, etc.) should be collected and used for frequent updates of auditors
- Sanctions and penalties for auditors



REEP Policy Support – Discussion

Please share your view on crucial barriers in the buildings sector (but not necessarily limited to)...