Western Balkans
Regional Energy Efficiency Programme (REEP)

Energy Efficiency Coordination Group
21 June 2022
Welcome to REEP

Help is now at hand for the Western Balkans need for investments in energy efficiency and renewable agencies.

The Ecoloans programme, funded by KfW Development Bank is on track to support the countries to overcome the two key barriers, limited access to long-term finance for related investments and low awareness of businesses and the general public about the need to save energy. After successful placements of these funds via a range of partner financial institutions a follow up programme, the Low Carbon Energy Facility, has already started.

https://www.wbif.eu/120-million-ecoloans-western-balkans
Energy efficiency is key to drive energy sector transformation

Energy efficiency is relevant in the context of *climate change ambitions* and *energy security*

*Net zero by 2050 hinges on a global push to increase energy efficiency*

Governments issue joint statement after IEA Global Conference in Denmark, highlighting efficiency’s benefits for energy security, affordability and sustainability
REEP Positioning

REEP is strategically placed as a *key instrument* for clean energy transition in the Western Balkans region, in line with EU’s energy and climate ambitions:

- **EU Alignment**
- **EIP for the Western Balkans**
  Flagship 6: Buildings Renovation Wave
- **Green Agenda for the Western Balkans**
- **REPower EU**
  EU External Energy Strategy

Promoting sustainable market for energy efficiency in the Western Balkans
**REEP Overview**

**Window 1a**
ESCO Support TA
Legislative & project preparation support

**Window 1b**
Policy Dialogue TA
Policy support

**Window 2**
ESCO Support TA
Intermediated Financing through local banks
EE, RE projects in SMEs
EE, RE in the residential sector
EE in the municipal sector

**Window 3**
ESCO Support TA
Direct Financing to Private Sector (project and corporate finance)
Small and Mid-scale RE & EE projects
PILOT: EE and RE in the residential sector

**Window 4**
ESCO Support TA
Direct Financing to Public Sector (sovereign/sub-sovereign)
EE and RE in buildings
Sustainable heating and cooling
Innovation and smart solutions

**Completed**
EU grants
€78.8m (R): €100m

**Scale up**
Other grants
€23.9m (R): >€17m

**New activity**
IFI project finance
€527m (R): €455m

**Replenishment**
Results to-date

**REEP delivery**

- **SIGNED EUR 297m** in credit lines w/ 30+ PFIs
- **SIGNED EUR 143m** direct lending (private & public)

**Beneficiaries**

- **1,000 SMEs**
- **>12,700 households**
- **290 public buildings**
- **across 700+ cities and towns**

**Impacts**

- **ENERGY SAVED** 842k MWh/y ~ 27% North Macedonia’s residential el. consumption
- **AVOİDED** 540k t CO₂/year ~ removing 120,000 cars from the road
- **INSTALLED** 120 MW renewable energy capacity

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**Policy deliverables**

- > 75
Recent activities
Updates since last EECG (03/22)

Policy

**Ongoing**
- EPBD BiH-Federation: 5 regulatory documents submitted to Ministry for review and adoption
- Bosnia and Herzegovina: completed legislative drafting for eco-design rulebook (7 product groups) and energy labeling (12 product groups)
- Serbia: monitoring and verification of cumulative savings per EED Article 7

**New assignments**
- Started conversations for potential new assignments with Albania and Kosovo

Intermediated finance

**SME & public sector**
On-lending complete

**Residential**
- New signings: Serbia – Banca Intesa*, North Macedonia – Komercijalna, NLB;
- + 1,204 new sub-loans
- + EUR 7.43m

**SME & public sector**
- REEP funds exhausted; expecting replenishment
- New signings in preparation

* New PFI

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*Image*
## Recent activities

### Updates since last EECG (03/22)

### Direct finance

#### Public buildings
- Signed in Kosovo: Pristina Public Buildings EUR 5m (April’22), Prizren Public Buildings EUR 5m (May’22)
- Preparations progressing for new projects:
  - SRB: Vojvodina (80 buildings), EUR 12m
  - BiH: Tuzla EUR 10m

#### District Heating – projects in preparation
- SRB: Novi Sad DH EUR 30m
- SRB: Serbia Renewable District Energy Programme EUR 30m
- BiH: Zenica District Heating EUR 8m
- BiH Sarajevo District Heating EUR 16m project

#### Portfolio
- Sarajevo PBs: first two buildings completed – a kindergarten and a student dormitory

### Direct finance

#### Public buildings
- MNE: IC contract signed, preparation of tender documentation in progress, works expected in early 2023
- NMK: IC contract signed, preparation of tender documentation in progress, works expected in late 2022 or early 2023
- ALB: IC contract signed, first tender in progress, works expected in H4/2022
- NZEB Consulting - Fraunhofer, TA in MNE ongoing; location for construction secured

#### District Heating
- SRB: Solar DH study ongoing, 2 cities shortlisted, preparation of PFSs in progress
Thank you!

Presenters

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