Regional Energy Efficiency Programme: Energy Efficiency Policy Dialogue

From REEP to REEP Plus

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Energy Efficiency Coordination Group
Energy Community Secretariat
Vienna
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REEP refreshed

- **REEP overview**
  - Financing, technical assistance and policy dialogue support

- **A reminder of achievements of policy dialogue under REEP**
  - Focus areas and latest updates

- **The REEP Plus policy dialogue ‘menu’**
  - How REEP will move to REEP Plus
  - What offerings will be available under REEP Plus

- **Next steps**
  - Priority setting
  - Proposals for support
  - Implementation
REEP overview

REEP is an integrated package of finance, technical assistance and policy dialogue, implemented jointly with the Energy Community Secretariat.

Objective

Sustainable market for energy efficiency in the Western Balkans

Window 1
ESCO support
& Policy dialogue

Energy Service Companies (ESCO)
€5m grants
- Legislative support
- Technical project preparation

Policy dialogue
€1m (EWBJF) + €1m (EBRD & SIDA)
- NEEAP and EPBD
- Utility EEO
- Procurement of EE goods

Window 2
Intermediated financing
&
Window 3
Direct financing

WeBSEFF II
€92m financing + €14.5m grants
- Credit line for local FI
- For smaller scale EE & RE projects
- For both public & private sector borrowers, including ESCOs
- Grant funds support TA and investment incentives.

WeBSEFF (extension)

€50m financing + €5.75m grants
- Direct financing facility
- Medium scale RE and EE improvements in industrial enterprises
- For private sector borrowers, including ESCOs.
REEP achievements

Primary legislation
- Energy Efficiency Directive
  - Primary Law on Energy amendments - EE in networks and regulation, adopted 29 Dec 2015 (ME)
  - Law adopted by Parliament on 11 Nov 2016 (AL)
  - Law approved by parliamentary committee in early Oct 2016 (KOS)

Regulations
- EE in public procurement Rulebook
  - 29 Dec 2015 (RS), 11 Feb 2016 (ME)
- Rulebook on heating system inspection
  - adopted 22 Jun 2016 (RS)
- Rulebook on air-conditioning inspection
  - adopted 10 Oct 2016 (RS)
# REEP deliverables – still much to adopt and implement

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<tr>
<th>EPBD</th>
<th>Albania</th>
<th>BiH-RS</th>
<th>BiH-Fed</th>
<th>FYROM</th>
<th>Kosovo</th>
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**Notes:**
- MEPS: Measures of Efficiency and Performance Screening
- NCM: National Contact Person
- EPC: Energy Performance of Buildings
- Inspection: Final regulations submitted 3/2016
- Calculation software: Final software delivered – BiH-F (7/2015), FYR Macedonia (7/2015), Kosovo (7/2015) plus training (2016)
- EPC database delivery: BiH-F (5/2015) plus training
- Procurement: Rulebook
- EED: Energy Efficiency Directive
**Objective**

**Window 1**
Market Development & Policy dialogue

**Window 2**
Credit lines for Private, Public and Residential Sectors via Partner Banks

**Window 3**
Direct Lending
Sustainability projects including ESCOS & Small Scale Renewables

**Window 4**
Direct Lending to Municipalities

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**Sustainable market for energy efficiency in the Western Balkans**

**Energy Service Companies (ESCO) development**
€3m grants (EU IPA + Other Donors)
- Technical assistance to support the preparation of tender documentation for ESCO projects

**Policy dialogue**
€2.5m grants (EU IPA)
- Supporting 2nd & 3rd NEEAP implementation and transposition of EED and EPBD

**Credit lines to Private Enterprises, Public & Residential Sectors via Partner banks**
€108m EBRD & KfW financing + €27.05m grants (EU IPA + Other Donors)
- Financing green economy investments via local FI
- For residential sector (EBRD)
- For SME and Municipal sectors (KfW)
- Grant funds support TA and investment incentives

**EBRD Direct Lending**
€30m (EBRD) financing + €1m grants (EU IPA + Other Donors)
- Direct lending to Private sector borrowers
- Medium scale RE and EE improvements in industrial enterprises
- Technical assistance for project assessment and monitoring
- May be expanded to include risk-sharing

**Direct Lending - Municipalities**
€20m financing + €4.5m grants (EU IPA + Other Donors)
- Direct loans provided to the State, City or Municipal Companies, under guarantee of the City or the State
- Focus on Public Buildings (schools, hospitals, gov. buildings)
- Supported by capital expenditure grant co-financing and TA
REEP to REEP Plus energy efficiency policy support

- **REEP policy**
  - 3rd NEEAP
  - EPBD primary legislation

- **REEP Plus policy**
  - NEEAP implementation
  - Public procurement
  - EEOs and Article 7
  - EPBD regulations & implementation
  - ESCOs
  - Public buildings
  - Heating/cooling
  - Residential EE
  - Institutional capacity building
  - HOAs
  - M&V and reporting

**REEP Plus** is a combination of **new focus areas** and moving from **policy** and legislating to **implementation**.
REEP Plus support format

National Energy Efficiency Action Plan

Subsidiary documents (Building Renovation Strategy)

Energy Efficiency Policies

Energy Efficiency Policy measures implementation

Compliance and enforcement

Institutional Capacity Building

Energy efficiency legislation
## REEP Plus ‘domains’

### End-use sector

<table>
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<tr>
<th>Buildings</th>
<th>Domain</th>
<th>Legislation</th>
<th>Support</th>
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<tr>
<td>Public</td>
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<td>EED Art 4, 5</td>
<td>• Legislative framework</td>
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<td>Heating and cooling</td>
<td>EED Art 14</td>
<td>• Supporting Rules &amp; Codes</td>
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<tr>
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<td>Residential EE and HOA</td>
<td>EED Art 4, 7, 14, 20</td>
<td>• Capacity building for implementation</td>
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<td>EPBD regs and enforcement</td>
<td>EPBD</td>
<td>• Data management support</td>
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### Cross-cutting

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<th>Domain</th>
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<td>EEOs and Article 7</td>
<td>EED Art 7, 20</td>
<td>• Knowledge transfer</td>
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<td>NEEAP implementation</td>
<td>EED Art 3, 24</td>
<td>• Pilot project development</td>
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<td>Institutional capacity building</td>
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<td>• Transposition of EU legislation</td>
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<td>EED Art 24</td>
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<td>Public procurement</td>
<td>EED Art 6</td>
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- **End-use sector domains**: Buildings (Public, Residential and Commercial), Cross-cutting (Horizontal).
- **Domain**: Public Buildings, Heating and cooling, Residential EE and HOA, EPBD regs and enforcement, EEOs and Article 7, NEEAP implementation, Institutional capacity building, M&V and reporting, Public procurement.
- **Legislation**: EED Art 4, 5, EED Art 14, EED Art 4, 7, 14, 20, EPBD, EED Art 7, 20, EED Art 3, 24, All aspects, EED Art 24, EED Art 6, EED Art 6.
- **Support**: Legislative framework, Supporting Rules & Codes, Capacity building for implementation, Data management support, Knowledge transfer, Pilot project development, Transposition of EU legislation.
Schedule for next steps

Initial country “expressions of Interest”
- Initial identification of gaps for support
- Brief justification of why requested

Priority setting missions
- Discussion of EoIs
- Checking of assumptions
- Scoping of potential support

Submission of full country proposals
- Detailed requests for support
- Full plan which demonstrates commitment to activity

Implementation
- Develop TORs
- Schedule resources
- Begin work
Question for discussion

How to ensure senior government / Ministerial engagement to adopt / implement deliverables?