Western Balkans
Regional Energy Efficiency Programme (REEP)

Energy Efficiency Coordination Group
Online, 17 November 2021
Welcome to REEP

Since 2013, we've supported energy efficiency improvements in:
Objective: Sustainable Market for energy efficiency in the Western Balkans

1a ESCO Support
- Legislative support
- Technical project preparation

1b Policy Dialogue
- EED, EPBD legislation and strategic documents
- Policy implementation support

2 Intermediated Financing
- Project finance to states, cities, municipal companies
- Public buildings EE
- For SME & public sector projects (small scale RE & EE)

3 Direct Financing
- Project finance to private sector
- For medium scale RE and EE
- For residential sector projects

4 Direct Lending to Public Sector
- Project finance to states, cities, municipal companies
- Public buildings EE
- For SME & public sector projects (small scale RE & EE)

IFI project finance
- €527 m

EU grants
- €78.8 m

Other grants
- €23.9 m

Other grants
- €78.8 m
Total REEP Results

**Total REEP Results**

- **SIGNED**
  - **EUR 264m**
    - in credit lines w/ 30+ PFIs
  - **SIGNED**
    - **EUR 132m**
      - direct lending (private & public)

- **700+ cities**
  - > 1,000 SMEs
  - 9,500+ households
  - 125 p. buildings

- **74 policy deliverables**

**Impacts**

- **ENERGY SAVINGS**
  - 812k MWh/y
  - ~ 27% North Macedonia’s residential electricity consumption

- **AVOIED**
  - 546k t CO₂/year
  - ~ removing 120,000 cars from the road

- **INSTALLED**
  - 119 MW
  - renewable energy capacity
Recent activities
Updates since last EECG (June’2021)

<table>
<thead>
<tr>
<th>Intermediated finance</th>
<th>Direct finance</th>
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<tbody>
<tr>
<td><strong>SME &amp; public sector</strong></td>
<td><strong>Residential buildings</strong></td>
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<tr>
<td>✓ + 7 new sub-loans / EUR 1.5m</td>
<td>✓ SRB: preparing sovereign EUR 20m project (5 cities)</td>
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<td><strong>Residential</strong></td>
<td><strong>Public buildings</strong></td>
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<tr>
<td>✓ New signings: AFK, KRK, Sparkasse, ProCredit x3 - BiH, North Macedonia, Serbia</td>
<td>✓ SRB: structuring EUR 12m project for Vojvodina (80 public buildings)</td>
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<td>✓ + 1,526 new sub-loans / EUR 6.1m</td>
<td><strong>District Heating</strong></td>
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<td>✓ + EUR 12.2m of new sub-loans</td>
<td>✓ SRB: structuring a multi-city sovereign EUR 30m project</td>
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<td>✓ EU-funds exhausted; expecting replenishment</td>
<td><strong>Public buildings</strong></td>
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<td>✓ MNE: Tender ongoing; PIU established</td>
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Policy

✓ EPBD: North Macedonia, BiH-Federation
✓ Eco-design: Bosnia and Herzegovina – Phase 1 market assessment completed

+ 7 new sub-loans / EUR 1.5m
+ 1,526 new sub-loans / EUR 6.1m
+ EUR 12.2m of new sub-loans
EU-funds exhausted; expecting replenishment
MNE: Tender ongoing; PIU established
NMK: PIU established, IC contract signed
ALB: EUR 26m signed, Tender ongoing
NZEB Consulting - Fraunhofer, TA for MNE
REEP Replenishment: prep studies ongoing
SRB: Solar DH study ongoing
**REEP next phase**
**Proposed replenishment**

**Additional EUR 100.546m grant funds**, scaling up to **EUR 1 billion financing**

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

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

**Window 2**
KFW [Intermediated Financing through local banks]
- EE, RE projects in SMEs
- EE, RE in the residential sector
- EE in the municipal sector

**Window 3**
KFW [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**
KFW [Direct Financing to Public Sector (sovereign/sub-sovereign)]
- EE and RE in buildings
- Sustainable heating and cooling
- Innovation and smart solutions

*including visibility budget and fees*