

Western Balkans Regional Energy Efficiency Programme (REEP)

WBIF Strategic Board
21 June 2022



This project is funded by
the European Union

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European Bank
for Reconstruction and Development

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Welcome to REEP



Video on Ecoloans in Serbia (KfW, April 2022)

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>

Outline

The EE challenge in the Western Balkans

REEP overview

Results and impacts

Outlook

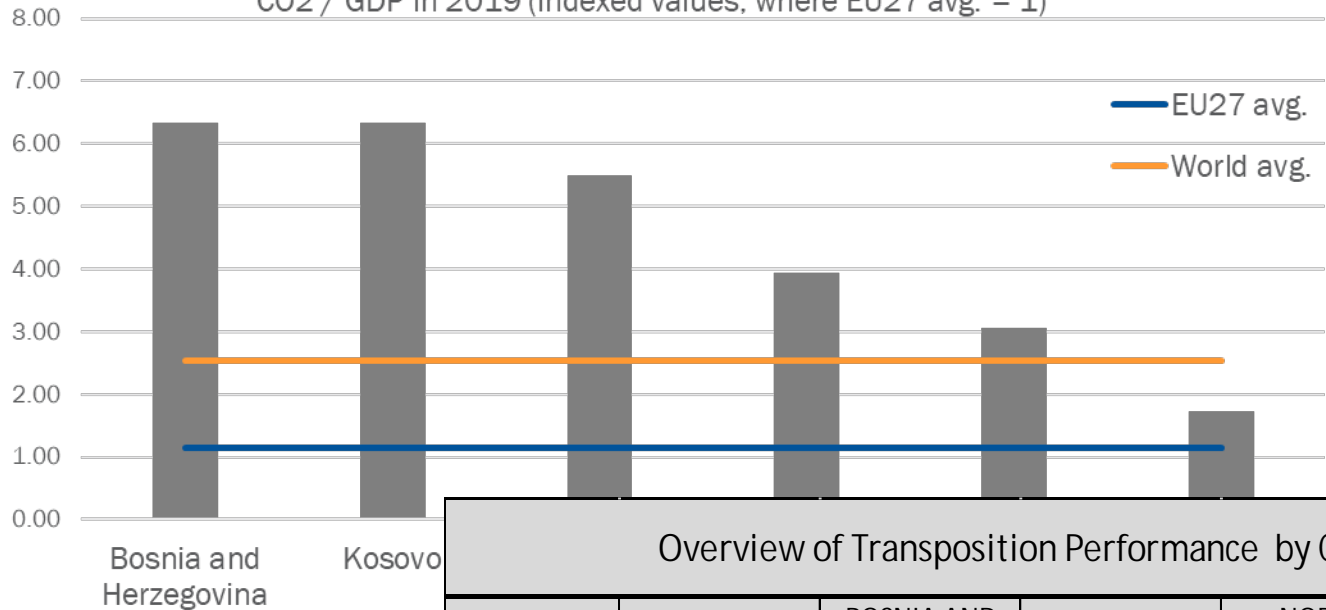


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Sustainable energy remains a challenge in the Western Balkans ...

Carbon intensity of economies in the WB-6 region

CO2 / GDP in 2019 (indexed values, where EU27 avg. = 1)



Overview of Transposition Performance by Contracting Parties

	ALBANIA	BOSNIA AND HERZEGOVINA	KOSOVO*	NORTH MACEDONIA	MONTENEGRO	SERBIA
✓	49%	21%	62%	59%	69%	67%
~	44%	51%	26%	31%	23%	26%
✗	8%	28%	13%	10%	8%	8%



Full transposition or significant progress



Partial transposition and ongoing activities



No transposition progress

Source: Energy Community Secretariat



... however it is also a driving force for energy sector transformation

Global momentum

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

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

iea

Regional opportunities (WB-6)

> 100 billion

estimated EE investments needs
for buildings

> 50%

energy savings potential in the
buildings sector

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:

REEP

Promoting sustainable market for energy efficiency in the Western Balkans

EU Alignment

EIP for the
Western Balkans

Flagship 6:
Buildings
Renovation
Wave

Green Agenda
for the Western
Balkans

REPower EU
EU External
Energy Strategy

REEP evolution

Established

Replenishment rounds...

2013

2017

2019

2021/22

Policy / ESCO TA
Credit lines: SME, public sector
Direct finance: private sector

NEW credit line:
residential sector

Replenishment
- **Credit line**

NEW direct
lending: public
buildings

Replenishment
- **Public Buildings**

KfW

Croatia no longer
beneficiary

EU / WBIF,
Energy Community Secretariat
EBRD
Donors

- **NEW** sustainable heating and cooling
- **NEW** innovation and smart solutions
- **NEW** direct finance to residential
- **NEW** credit line supporting new highly performing residential buildings

€78.8m
EU grants

€23.9m
other grants

€527m
IFI loans

€100m
EU grants

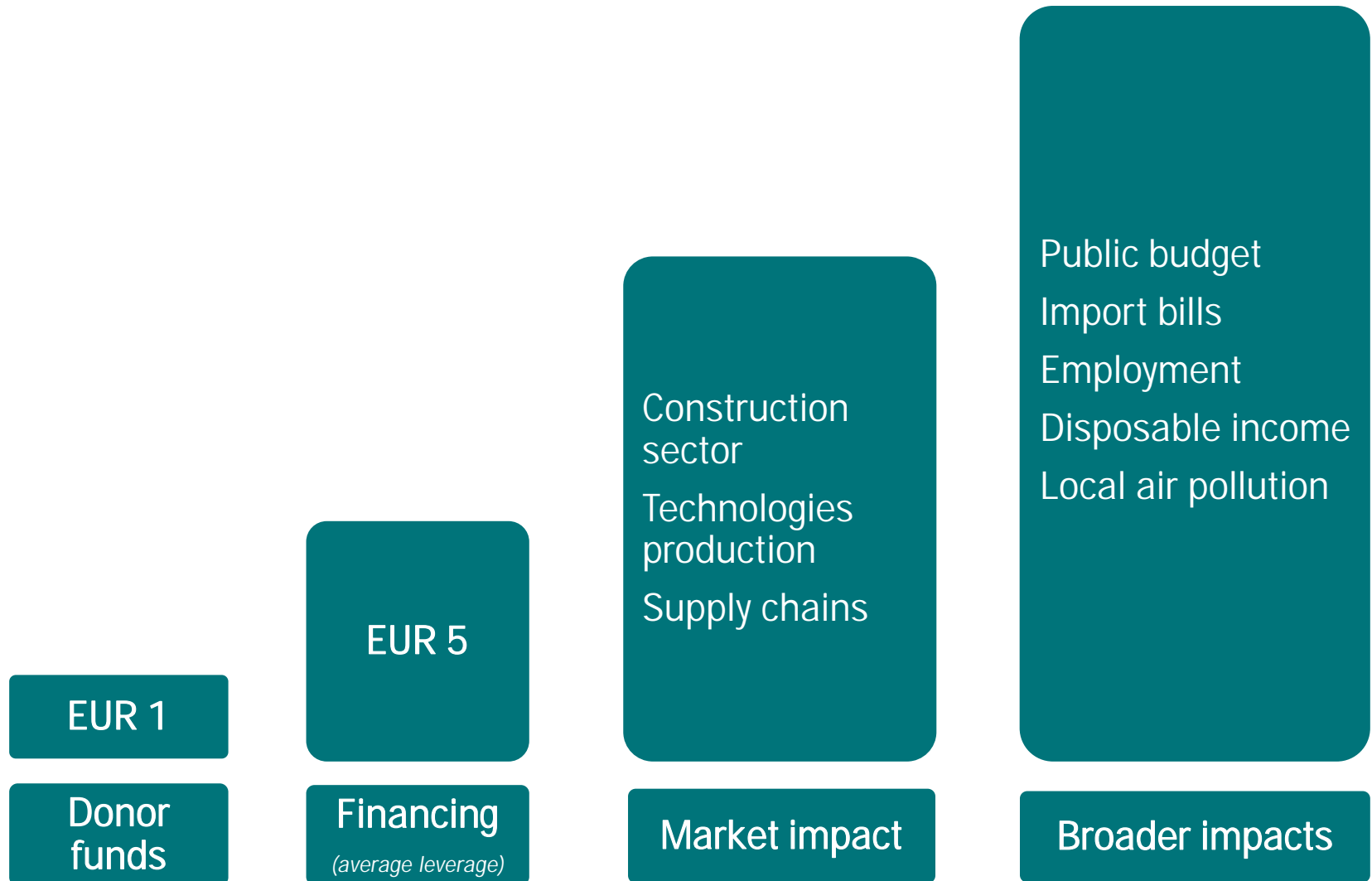
>€17m
other grants

€455m
IFI loans



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Leveraging the EE market



Enhancing the EE market by example

- ✓ Contributing to the effective transposition of EU guidelines and standards
- ✓ EE in public buildings is crucial to set standards in the market and raise awareness on EE
- ✓ Holistic approach: going beyond energy savings and climate impact, strong focus on improving quality of life and services
- ✓ Efficient implementation to widen impact: simplifying assessment, standardized tools, grants for promoting (beyond enabling) investments

Results to-date

REEP delivery

SIGNED EUR 297m
in credit lines
w/ 30+ PFIs

SIGNED EUR 143m
direct lending
(private & public)

> 75
policy deliverables

Beneficiaries

1,000 SMEs

>12,700
households

290
public buildings

across 700+
cities and towns

Impacts

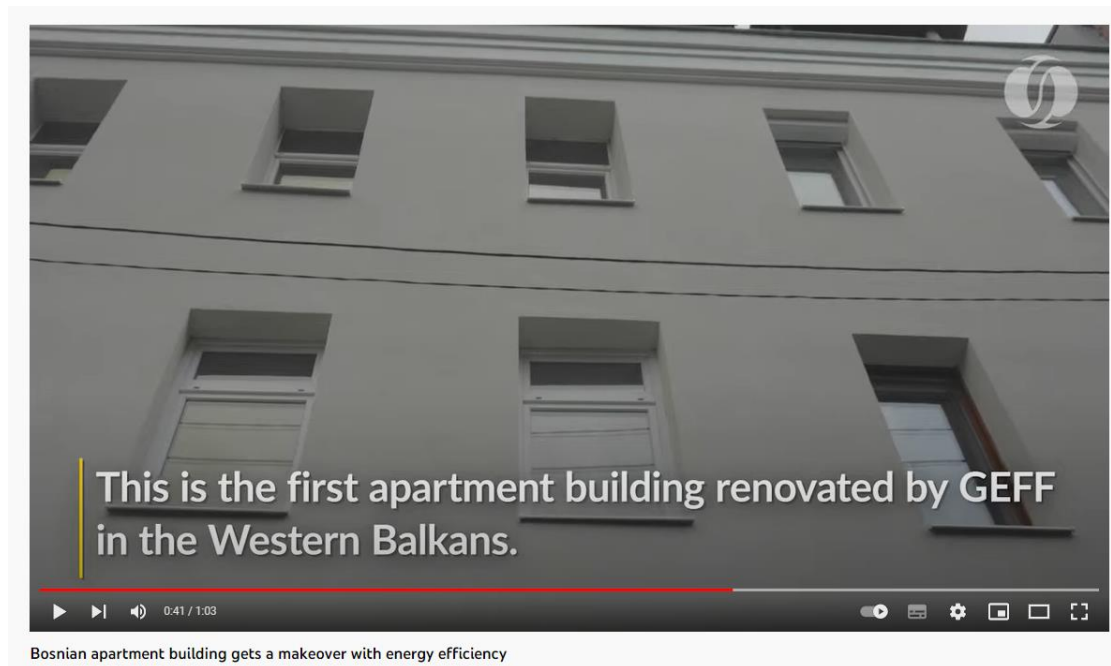
ENERGY SAVED
842k MWh/y
~ 27% North Macedonia's
residential el. consumption

AVOIDED
540k t CO₂/year
~ removing 120,000 cars
from the road

INSTALLED
120 MW
renewable energy capacity

REEP Impact: Empowering citizens to reduce energy consumption and improve home comfort

Bosnian apartment building improves its exterior and becomes more energy efficient.



Looking ahead...

Innovation and smart solutions

- ✓ Scale-up GEFs to construction of new green buildings and residential sector outreach
- ✓ Scale-up of EE investments in public buildings
- ✓ Pilot commercial scheme for residential buildings renovation
- ✓ Focus on sustainable district heating and cooling
- ✓ nZEB / plus energy houses – Development of national nZEB requirements and pilot projects

Thank you!

Presenters

Remon Zakaria – EBRD, Head of Montenegro

Pablo Obrador – KfW, Head of Division Energy and Mobility Southeast Europe and Turkey

Team

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Annex

REEP Visibility

- ✓ Local press outreach and press releases
- ✓ Social media: continuous promotion of stories
- ✓ Cross-promotion with PFIs and local EUDs
- ✓ Marketing materials: case studies, stickers, certificates
- ✓ Events ~ 50+ GEFF events
- ✓ Videos ~ 20+ videos produced
- ✓ REEP website hosted on WBIF platform
- ✓ WBIF Newsletter



Over 2000 households in Serbia have invested in energy efficiency with EBRD #GEFF credit lines & #EU funded incentives.

Here's the story of Nikola who invested in solar panels and now covers all his energy needs from solar! ☀️

#EBRDdonors: @eu_near @eursrbija #Austria #WBIF



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NEWS FROM 2021-03-30 | KfW DEVELOPMENT BANK

Serbia: New building for packaging factory saves energy



Success Stories and Projects

- Introduction of Nearly Zero-Energy Buildings in the Western Balkans
- Bosnia: Microloans to improve energy efficiency
- Serbia: New building for packaging factory saves energy