Introduction of INDEP and key policy issues in the electricity sector of Kosovo

SEERmap project meeting
Belgrade, 22-23 of September
Introduction of INDEP

An association of policy analysts, researchers and civil society activists

Focus: strengthening democratic governance, enabling sustainable development, fostering regional cooperation

A public policy watchdog

Research institute and an advocacy centre established in 2011

Offering independent research-based policy solutions
## Main projects in the energy sector

<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
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<tr>
<td>Development of the Sustainable Development Policy Sector</td>
<td>Through this project, INDEP has achieved to advocate sustainable development in Kosovo and the region at the international level. Our advocacy in the World Bank executive level, European Parliament, European Commission and countless others have brought Kosovo and Balkans energy issues to the global agenda.</td>
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<tr>
<td>Support Energy Efficiency Implementation and Capacity Building Measures in the Private and Public Sectors in the Region Centre</td>
<td>The overall objective is to support Kosovo implement energy efficiency measures and targets agreed in the EE Action Plan and within the EC as well as increase awareness, improve capacity and institutional building at local level and help private sector generate green jobs. While, in specific, the project aims to: a) Support implementation of the energy efficiency measures at the local level; b) Improve institutional and human capacities to implement energy efficiency action plan; and c) Increase EE awareness and support private sector implement EE measures.</td>
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<tr>
<td>Strengthening and Promoting Sustainable Development in Kosovo</td>
<td>INDEP conducts research and publishes studies regarding the on-going processes in the energy sector in Kosovo. The importance and the focus on cost analysis for developing different energy options, procedural and policy aspects within the country and the WBG, health impact issues, environmental impacts, etc.</td>
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Contact Info

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Energy Demand in Kosovo
Demand scenario forecasting
Key policy issues in the electricity sector – Key issues

- Building ‘Kosova e Re’?
- Fate of Kosova A and Kosova B
- RES potential
- Environmental protection
Main challenges in the electricity sector

- Delays in establishing new capacity energy production from lignite and rehabilitation of the existing capacities
- Overload of the electricity system especially during the winter season
- Limitations in terms of safeguarding the necessary energy imports
- The lack of effective competition in the electricity market
- Limited participation of the thermal energy in the final consumption and lack of natural gas
Main policy documents and decisions

Energy Strategy of Republic of Kosovo 2016-2025

Priorities:

• Provision of reliable and quality electric power and capacity necessary for a stable electricity system;
• Integration in Regional Energy Market;
• Increase the existing capacity of thermal systems and construction of new capacity;
• Development of natural gas infrastructure;
• Improved energy use efficiency, renewable energy

Summary:

✓ Building ‘Kosova e Re’
✓ Refurbishing Kosova B
✓ Exploiting the RES generation capacities
✓ Implementing EE measures
Kosovo adopted Laws on energy, electricity and gas aimed at transposing Third Package (June 2016)

### Energy Legislation in Kosovo

<table>
<thead>
<tr>
<th>Law Number</th>
<th>Description</th>
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<tbody>
<tr>
<td>LAW No. 05/L-052</td>
<td>ON THERMAL ENERGY</td>
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<tr>
<td>Law 05/L-084</td>
<td>on Energy Regulatory</td>
</tr>
<tr>
<td>LAW No. 05/L-085</td>
<td>ON ELECTRICITY</td>
</tr>
<tr>
<td>LAW No. 05/L – 081</td>
<td>ON ENERGY</td>
</tr>
<tr>
<td>LAW No.04/L – 016</td>
<td>ON ENERGY EFFICIENCY</td>
</tr>
<tr>
<td>Law No. 03/L-116</td>
<td>ON CENTRAL HEATING</td>
</tr>
<tr>
<td>LAW No. 05/L – 082</td>
<td>ON NATURAL GAS</td>
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<tr>
<th>Administrative Instructions</th>
<th>Regulation</th>
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<td>19</td>
<td>1</td>
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</table>
Current electricity production structure

Figure 15: Primary energy sources available 2013

Figure 16: Primary energy consumption ( ktoe) by fuel type (fuel) 2003-2013

Figure 17: The ratio between the total electricity production and renewable energy 2000-2013
Environmental impact from the electricity sector

Figure 18. Annual average values of dust in PPA and PPB during 2007 – 2014

Figure 19. The annual average values of SO$_2$ in PPA and PPB during 2007 – 2014

Figure 20. The annual average values NO$_x$ in PPA and PPB during 2007 – 2014
### National Renewable Energy Action Plan (NREAP) 2011 - 2020

#### Table 2 - National overall target for the share of energy from renewable sources in gross final consumption of energy in 2009 and 2020

<table>
<thead>
<tr>
<th>Section</th>
<th>2009 (S\textsubscript{2009}) (%)</th>
<th>2020 (S\textsubscript{2020}) (%)</th>
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<tbody>
<tr>
<td><strong>A. Share of energy from renewable sources</strong></td>
<td>18.90</td>
<td>18.90</td>
</tr>
<tr>
<td><strong>B. Target of energy from renewable sources</strong></td>
<td>25.00 (mandatory)</td>
<td>29.47 (voluntary)</td>
</tr>
<tr>
<td><strong>C. Expected total adjusted energy consumption in 2020</strong></td>
<td>1729.82</td>
<td>1729.82</td>
</tr>
<tr>
<td><strong>D. Expected amount of energy from renewable sources</strong></td>
<td>432.46</td>
<td>509.70</td>
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NATIONAL RENEWABLE ENERGY ACTION PLAN (NREAP) 2011 - 2020

25.64% of RES in gross final consumption of electricity

- In the electricity sector, RES generation increases are based on the development of small and large hydro power plants: 240 MW from small hydro power plants; 305 MW from HPP Zhuri, 150 MW from wind, 14 MW from Biomass, and 10 MW from photovoltaic plants. The electricity sector contributes to the overall RES target with 10.1%.

10% of RES in gross final consumption of transport

- The sectorial RES target in transport is calculated in accordance with Article 3(4) of the Directive 2009/28/EC is 10%. However, the actual rate in the overall energy consumption in transport (which is higher than the amount calculated in Accordance with Article 3 (4), due to the use of kerosene, jet fuel and transport oil), is at the level of 9.24%. The contribution of this sector in the overall target is set at 2.1%.

45.65% of RES in gross final consumption on heating and cooling

- Solar energy of 70 MWth, 10 MWth from thermal pumps. Heating and cooling sector contribute to overall RES target in 2020 with 17.2 percent points. The main contribution is from use of biomass in the form of traditional logwood, which will continue to be the most important heating source in Kosovo.
Inputs to long term electricity scenarios

• What type of scenarios would you like to see in SEERMAP concerning the electricity sector?

  • The impact of the Energy Market in demand and prices
  • The expansion of RES and the full utilization of the EE potential
  • The potential energy scenario without coal/lignite expansion
  • The impact of the new power plant on consumer prices
THANK YOU!