



Energiekrise und Klimawandel als Herausforderungen für Politik und Wirtschaft in Südosteuropa

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Evangelische Akademie Tutzing

German Technical Cooperation



Bundesministerium für
wirtschaftliche Zusammenarbeit
und Entwicklung



Open Regional Fund for
South East Europe
Energy

as by: March, 2009



Part I: GTZ – An overview

**GTZ is a limited liability company,
owned by the German government**

**GTZ has 30 years of experience in the
field of development cooperation**

GTZ works on a public-benefit basis

**GTZ works on behalf of
the German government**

**GTZ works on behalf of international
organisations, private clients and governments**



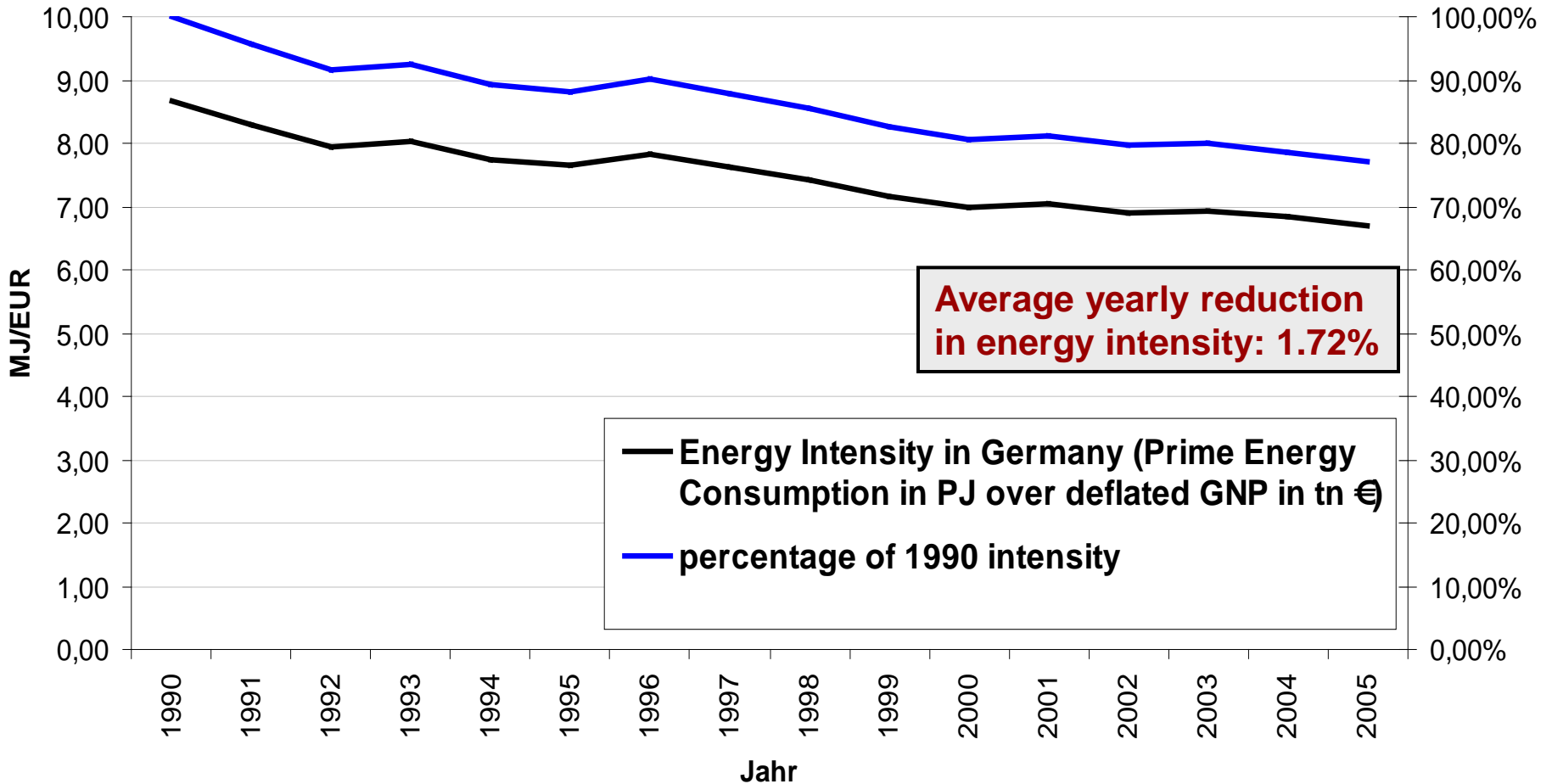
GTZ-Approach:

- ➔ **No Financial Assistance**
- ➔ **But: Technical Assistance in a broader sense:**
 - **Multilevel-Approach (Macro- / Meso- / Micro-Level)**
 - **Process-based advisory services ➔ focus on change processes**
 - **Capacity building**
 - **General project management activities (e.g. technical planning, event management, trainings etc.)**











Development of Energy Intensity in Germany



Source: Statistisches Bundesamt



	Germany 	Albania 	BiH 	Macedonia 	Montenegro 	Serbia 
Energy laws	In place	since 2003	no; electricity act with targets for EE and RE	New in 2006; EE and RE are one of 7 targets	In place	In place
Energy-Strategy	Yes, including targets for EE and RE	Targets for EE and RE	Existing	EE-Strategy is currently under revision	yes, incl. EE/RE targets; not yet implemented	Existing
Liberalised electricity market	Yes, since 1998	No, monopoly for KESH	no; two public utilities	Public generation / transmission; distribution privatised	no; unbundling of public utilities initiated	no
EE-agency	dena, etc.	Agency for nat. resources		MEA (since 2007)	Division within ministry	SEEA
EE-Funds	KfW programmes		no		Planned with WB-funds	planned
Price regulating authority	Bundesnetz-agentur	ERE	SERC	ERC	ERA	
Feed in regulation for RE	Yes, for all RE (and CHP)	In prep. for CHP	In place	yes for all RE		
Kyoto-Protocol	Ratified	Ratified		Ratified		Ratified



Current GTZ Energy Efficiency Projects in South-East Europe

Name of Project	Running from	Until	Country
Open Regional Fund Energy Efficiency in SEE	2008	2011	Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, Serbia
Economic Development and Employment Promotion	2005	2009	Croatia
Advisory Service for Energy Efficiency	2007	2010	Serbia
Advisory Service for Energy Efficiency	2008	2011	Montenegro
Advisory Service for Energy Efficiency&Renewable Energy	2010		Bosnia and Herzegovina in preparation
Advisory Service for Energy Efficiency&Renewable Energy	2010		Albania (Project idea)



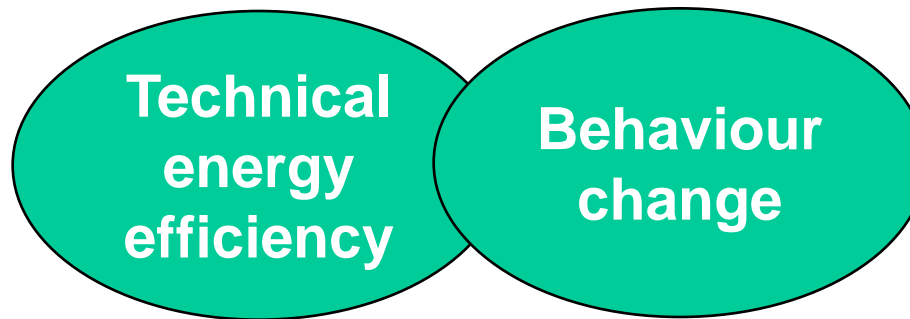
Promotion of energy efficiency – measures and instruments of GTZ

Macro Level	<ul style="list-style-type: none"> ▪ Legislative advice and advice for strategies and policies for energy efficiency ▪ Design of incentive and financing systems ▪ Assessment of technology potentials 	Partner
Meso Level	<ul style="list-style-type: none"> ▪ Setup of private and governmental advisory structures (multiplier) such as energy efficiency bureaus ▪ Promotion of networks to disseminate energy efficiency know-how and technologies (incl. technology transfer/PPP) ▪ Dialogue between municipalities, banks, NGOs, consumer associations, universities and the government 	Multiplier
Micro Level	<ul style="list-style-type: none"> ▪ Awareness-Campaigns ▪ Professional advice to enterprises and households ▪ Promotion of innovation processes ▪ Information, training and capacity building ▪ Implementation of pilots and best practices 	Beneficiaries and Multiplier



Conclusion energy efficiency:

Energy efficiency is a combination of technology and behaviour change



Exhaustion of entire energy efficiency potential is only possible when both components are part of the solution.



Implementation of TC – measures in EE and RE in SOE: SWOT - analyses

Strengths

- **Experiences in some countries and certain topics available** (micro hydro in Croatia, BiH and Macedonia, Solar thermal energy in Croatia and Albania, EE in Serbia)
- **Current change process in energy policy in the concerning countries**
- **Existing approaches to EE and RE in legal framework and national strategies**
- **Due to energy shortages increased awareness of energy issues in politics and society in general**
- **Large potential for EE and RE**

Weaknesses

- **Shortfalls on technical and institutional level**
- **Energy supply is public**
- **Weak implementation of policies and laws**
- **Limited experts available**
- **Limited general awareness on energy issues**
- **Insufficient funds to implement RE / EE - measures**
- **Limited experience with EE and RE and limited availability of products and services**
- **Political conflicts (such as Kosovo-conflict) may harm political will to reform**



Implementation of TC – measures in EE and RE in SOE: SWOT - analyses

Opportunities

- **SOE committed within the Athens-Process adjustment to basic EU energy policies**
- **Financial assistance in bilateral and multilateral development cooperation**
- **Regional cooperation may support national developments due to similar challenges**
- **Economic interest of foreign suppliers of EE and RE products and services**

Threats

- **Energy shortages and increased energy costs may lead to social and economic burden, which could harm development and stability within the region**
- **Political conflicts may have negative impacts on willingness to invest in the region, could tie local finances and prevent know-how and technology transfer**



General Fund Management

**Municipal
Services**

**Foreign Trade
Promotion**

**Legal
Reform**

Energy

■
**GTZ Coordination
Offices in South
East Europe**



The Open Regional Fund

New instrument for regional Technical Cooperation in South East Europe

Main Approach

- Targeting Energy Efficiency and an increasing use of Renewable Energies through Regional Cooperation in South East Europe.
- Supporting the process of approximation and integration towards the European Union
- Creating a value added by regional cooperation itself



The Open Regional Fund

New instrument for regional Technical Cooperation in South East Europe

Why regional?

- to create and maximize synergies across borders
- bundling the already existing knowledge, experiences and capacities of the countries in the region
- Enhancing the visibility of the countries and the respective markets for commercial interventions within the region
- to create a positive competition between the reform processes of the countries in the region



The Open Regional Fund

New instrument for regional Technical Cooperation in South East Europe

Why open?

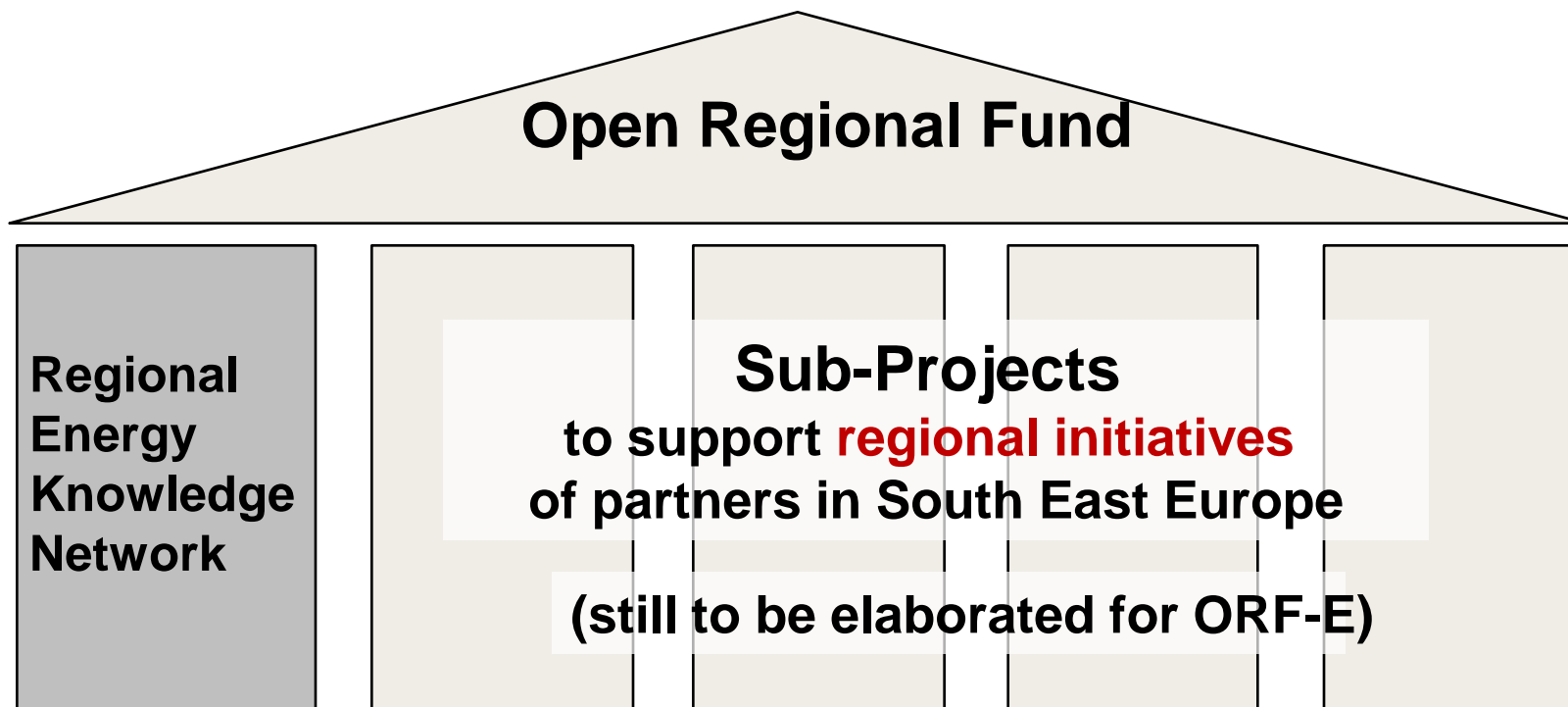
- **Open for applicants from public sector, private sector (PPP- concept) companies and associations) and civil society**
- **Open for cooperation with regional initiatives and institutions such as ECT and RCC**
- **Open for cooperation and co-financing with other donors**



The Open Regional Fund – TC Project Facility

New instrument for regional Technical Cooperation in South East Europe

How?





Open Regional Fund “Energy” – ORF-E

Sub-Project Focus

- **Development of regulatory framework, institutional and implementation capacities**
- **Providing/supporting platforms for regional dialog (information, networking, exchange of experiences, bridging to EU, procedures for funding by third parties etc.)**
- **Intrinsic and long-term interest of the regional initiatives**
 - **Visible ownership of partners**
 - **Follow-up strategy for the initiative (institutional sustainability)**

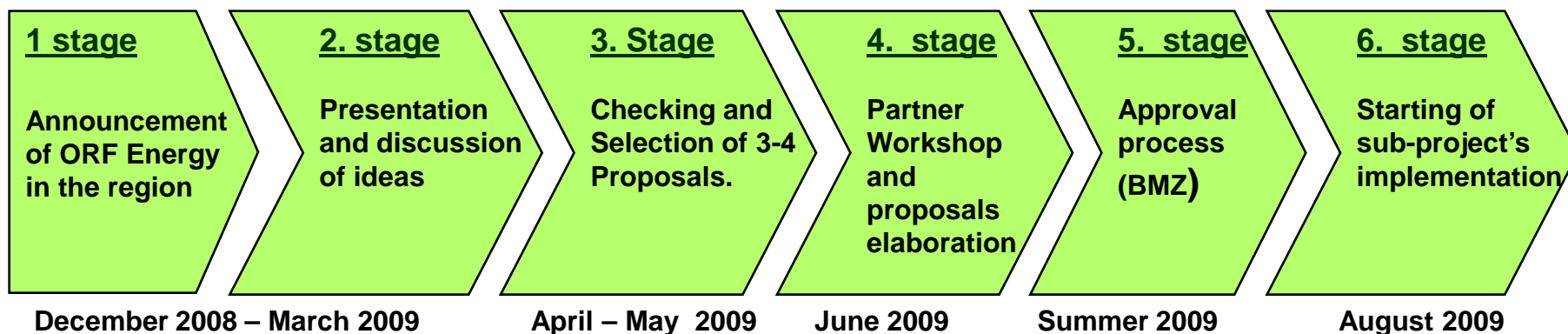


Open Regional Fund “Energy” – ORF-E Framework conditions for Sub-Projects

- **1st phase up to 06/2011 (3 million euro for TC)**
- **At least partners from three countries**
- **Sub-project duration: ca. 2 years; max 3 years**
- **Relevant contribution of partner resources (financial or in kind)**
- **Contributions by the ORF: 100,000 –400,000 €**
 - **financial or in kind for advisory services (including studies, concepts, trainings, etc. - hardware delivery only exceptional wise)**
- **Application by presenting the initiative to the ORF-E management and by a written sub-project proposal according to a standard template**
- **BMZ has to approve the sub-projects**



Planned Time Schedule of ORF Energy 1st call for sub-projects in 2009



Aim: 3-5 Projects starting in 2009

2nd call by the end of 2009



Open Regional Fund “Energy” – ORF-E

Cooperation in the Context of Energy Community Treaty Elaboration of Strategy and National Action Plans

Energy Efficiency

Structured Process

support:

How to prepare strategies,
national action plans,
involvement of relevant
stakeholders, elaboration of
targets, scenario building,
selection of measures,
monitoring,

To be discussed and decided
on

EE TF meeting on May 5th

Renewable Energy

Sources

Structured Process

support:

- according to needs
to be defined by the
RES Task force
meeting on april 29th



ORF-E Session at the Budva Conference

**ORF ENERGY
Presentation**

Q&A

Knowledge Network

Energy
and
Municipalities

Strategy
and
Action plan

Knowledge
Network

Energy
Saving
Technologies

Other
Sectors



Cooperation between ORF-E and the Business Community

HOW TO COOPERATE?

- Identification of a group of interested companies, institution and persons
- Support market penetration in the fields of EE and RES in South East Europe as a target REGION
 - By networking in the field
 - By supporting market overviews
- „Development“ Partnership approach (PPP, cost and benefit sharing)



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