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KOSOVO RENEWABLE ENERGY ASSOCIATION

Kosovo Renewable Energy Association

Shoqata për Energji të Ripërtëritshme e Kosovës

Third High Level Energy Forum, March 20th 2018



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- Background information into the work of KREA
- The state of renewable energy in Kosovo
- Challenges our member companies have faced
- Opportunities and attracting investments in renewable energy
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Background

- The Kosovo Renewable Energy Association (KREA) is a non-profit and non-governmental structure that operates within the Kosovo Chamber of Commerce, in accordance with the Law on KCC.
- KREA was established on October 11th 2011 by ten member companies and was restructured in 2017, following an increase in membership.
- Today KREA represents the interests of its 22 member companies, covering a wide range of renewable energy projects and portfolios.



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Renewable Energy in Kosovo

- The need for increased investment in renewable energy in Kosovo is evident due to the need to ensure security of supply, reduce the environmental damage as a result of traditional electricity generation from coal-fired TPPs and comply with binding EU Directives.
- As a contracting party of the Energy Community Treaty, Kosovo is obliged to develop and improve all necessary regulatory and operational mechanisms to reach the target of 25% of RES share in gross final energy consumption by 2020.
- An even higher target of 29.47% is targeted by the Administrative Instruction for the Renewable Energy Sources 01/2013.



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- KREA applauds MED for the development of *Kosovo Energy Strategy 2017-2026* and it having passed in parliament, as one of the most important documents to determine development of the sector.
- KREA continues to offer its support in the drafting of sustainable policies to increase the share of RES in energy sector, by also requesting to partake as members of the working group for the adoption of the three year Strategy Implementation Program, as required by the Law on Energy.
- This Strategy Implementation Program shall oversee all measures foreseen in the Strategy, to address prevalent challenges investors face today.



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Challenges our member companies have faced

- Incomplete Energy Regulatory Office Board, constraining vital decision making;
- Imposing of steep financial implications for system imbalance between projected and generated electricity;
- Lack of accurate national meteorological and hydrological forecast data;
- Hindered project development due to shifting ministerial policy priorities (i.e. National Parks vs. RES project development);
- Hindered project development due to limited project financing;
- Uncomforming authorizations (i.e. permits of conflicting periods).



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Opportunities and attracting investments in renewable energy

- Completion of feasibility study for RES in Kosovo;
- Project financing guides for project developers (i.e. increasing bankability of RES projects);
- Establishment of project financing institution (MCC current undertaking);
- Expansion of Green Portfolios for national banks and project financing know-how;
- Extend national RES indicative targets to enable increased investment; and
- Encouraging and promoting largescale investment in RES to qualify for the Strategic Investor status (Law No. 05/L-079 on Strategic Investments, minimum volume of investment to gain status – 30 million).



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Recommendations to support integration of RES

- A growing need for investment in the transmission and distribution (T&D) infrastructure to support the continuous integration of renewables and replace aging infrastructure;
- Network enforcement to allow for electricity self generating households (access electricity on the grid);
- Encourage the development of compound projects (i.e. Renewable + Storage).