



# Clean energy

February 2023

## Transition to sustainable and clean energy



The energy sector in the Western Balkans is characterised by insufficient and aging infrastructure, high reliance on fossil fuels, late adoption of renewables beyond hydropower and residential biomass, limited energy efficiency, high rates of energy intensity, energy poverty, limited market mechanisms and private sector participation. Under the Economic and Investment Plan, the WBIF supports projects focusing on energy efficiency and renewable energy sources, low carbon transition, as well as performant electricity transmission lines and smart grids.

2009 - 2023

€503.8m

WBIF grant

up to

€419m

guarantee coverage

€5.4bn

estimated investment

up to €22.2m

EU technical assistance grant for guarantees

### Economic and Investment Plan for the Western Balkans 2021-2027

- Flagship 4 - Renewable energy
- Flagship 5 - Transition from coal
- Flagship 6 - Renovation wave

### Energy Support Package for the Western Balkans



The European Commission, in 2022, put forward a €1 billion EU Energy Support Package for the Western Balkans to address immediate and medium-longer term consequences of the energy crisis in the region.

#### Achieved results (2009 - 2022)



176 MW renewable energy generation capacity installed



192 km of electricity transmission lines upgraded



376 public buildings retrofitted and 1,600 GWh/year of energy saved

#### Expected results (2023 - 2031)



2,330 MW renewable energy generation capacity installed

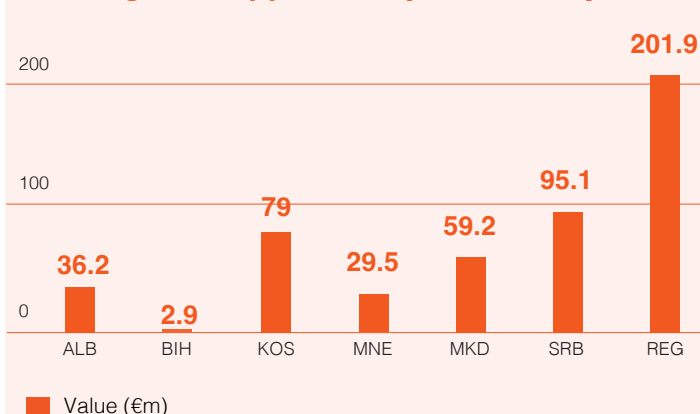


1,059 km of electricity transmission lines upgraded and power supply secured

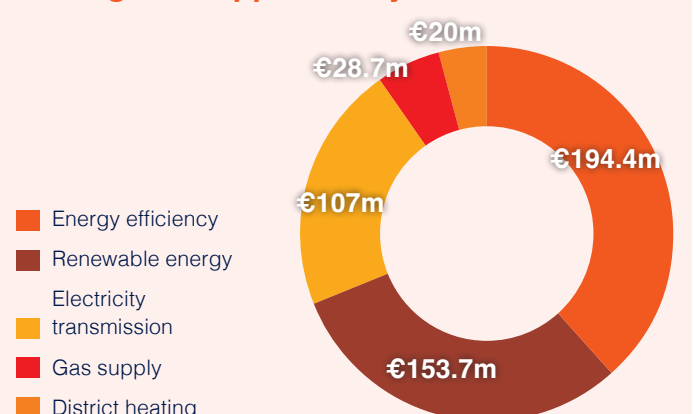


727 km of future-proof gas pipelines built

#### WBIF grants approved by beneficiary



#### WBIF grants approved by subsector





# Flagship investments examples

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## Flagship 4 Renewable energy

### Kosovo\* Solar District Heating for Pristina



Heating and cooling have the largest share of energy consumption in Kosovo. The heat supply in Pristina is particularly inefficient and meets only around 25% of the demand. **This investment project introduces solar energy in district heating in Kosovo.** The facility will have a capacity of 50 MW including storage. The immediate beneficiaries of the project are up to 38,000 residents who will be connected to Pristina's district heating system as part of the network expansion measures.

WBIF EU grant	€22.3m
KfW grant	€31.6m
EBRD loan	€23.2m
Beneficiary contribution	€4.4m
Estimated investment	€81.5m
Expected completion	2027

## Flagship 5 Transition from coal

### Serbia Trans-Balkan Electricity Corridor: Serbia – Montenegro – Bosnia and Herzegovina 400 kV Interconnection



This investment project will construct 84 km of double-circuit 400 kV overhead transmission lines from Bajina Bašta to the Bosnia and Herzegovina and Montenegro borders. It will help develop a functional regional market and establish a **Trans-Balkan Power Corridor that will connect the electricity transmission systems of Serbia, Montenegro and Bosnia and Herzegovina to those of Croatia, Hungary, Romania and Italy.**

WBIF EU grant	€10.9m
KfW loan	€30m
Beneficiary contribution	€4.5m
Estimated investment	€45.4m
Expected completion	2027

## Flagship 6 Renovation wave

### Western Balkans Regional Energy Efficiency Programme



The Regional Energy Efficiency Programme (REEP) was established in 2013. **The programme blends policy support with loans, technical assistance and incentives to support energy efficiency and renewable energy investments in the public and private sectors in the Western Balkans.** The EBRD and the KfW implement the programme, which operates both directly and through intermediaries and is a key instrument for the implementation of the Economic and Investment Plan.

2022 replenishment:
€100m
additional EU grant funding
€540m
expected investment
Up to end 2021:
€78.8m
EU grant contribution
€630m
total investment generated

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.