





PROVISIONAL INSTITUTIONS OF SELF-GOVERNMENT GOVERNMENT OF KOSOVA MINISTRY OF ENERGY AND MINING Permanent Secretary

Progress in the Implementation of the Requirements of the Treaty on Energy Community in Southeast Europe

(Latest developments and results)

Astrit Beqa 28 March 2007

Overview of Presentation

- I. Report to ECT Secretariat on the progress made during the period mid-November 2006 February 2007
- II. Action Plan for Implementation of *acquis* on renewables
- III. Main Issues raised to the ECT Secretariat
- IV. Ongoing work

I. Report to ECT Secretariat on the progress made during the period mid-November 2006 – February 2007

Progress report for November 2006 – February 2007, prepared jointly with ERO and KOSTT, was submitted to the ECT Secretariat, as requested, in late February. Based on this report, an concise info for the PHLG Meeting of March 14, 2004 was developed and submitted in early March 2007. This info contains:

- 1. Achievements as reported by each stakeholder (*please see the handout-Info sent to the ECT*)
 - Electricity
 - Gas
 - Environment
 - Energy efficiency and renewables
- 2. Key problems encountered as summarised in Section III of this presentation (*Please see also the handout 'Info sent to the ECT' for details*)
- 3. One pager 'Table 6:0 Renewable Energy' completed and sent to ECT Secretariat as requested (*please see the handout*)

II. Action Plan for Implementation of acquis on Renewables

- 1. The Action Plan is developed in close consultations with the ERO and KOSTT.
- 2. EAR and Pillar IV provided valuable contribution
- 3. The Action Plan is divided in two sections:
 - A. Kosovo Plan for the Implementation of the Directive 2001/77/EC on promotion of the electricity produced from renewable energy sources
 - B. Kosovo Plan for the Implementation of the Directive 2003/30/EC on the promotion of the use of biofuels or other renewable fuels for transport
- 4. MEM will coordinate the process of implementation of this action plan, but requests the attention, commitment and contribution of all stakeholders including MTI and MESP

III. Main Issues Raised to the ECT Secretariat

- 1. Need for continued assistance for implementation of road maps and action plans
- 2. Potential difficulties that may arise in the process of electricity market opening for all non-household by 1st of January 2008
- 3. Social implications of reforms and restructuring need for dedicated support from the EU
- 4. Denial of Serbia to pay Kosovo for electric energy transiting, while KOSTT is paying EPS regularly
- 5. Need for capital investments to upgrade and modernise electricity systems and networks in Kosovo
- 6. Need for funding per implementation of a number of energy efficiency and renewables projects
- 7. The representative from KOSTT sh.a. will inform us on the latest steps taken on the unresolved issue they have with the Serbian TSO

IV. Ongoing Work

- 1. Preparatory work for mobilisation of funding for the construction of the 400KV interconnection line Kosova-Albania has commenced
- 2. Finalisation of the draft Law on Gas
- 3. Stakeholder discussion on draft-sublegislation on energy efficiency and renewables
 - Indicative targets for renewables ongoing
 - Labelling of energy equipments ongoing
 - Biofules planned to be finalised by July 2007
 - Energy efficiency in buildings (under the leadership of MESP)
- 4. Statement of Security of Supply (SoS)
 - First draft expected by April 2007
 - Stakeholder discussion and final draft expected by July 2007

Thank you!