



**Republika e Kosovës**  
**Republika Kosova-Republic of Kosovo**  
*Qeveria-Vlada-Government*  
**Ministria e Ekonomisë**  
**Ministarstvo Ekonomije -Ministry of Economy**

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**PROGRESS REPORT FOR THE PERIOD JANUAR - JUNE 2024**  
**OF THE**  
**KOSOVO ENERGY STRATEGY IMPLEMENTATION**  
**PROGRAM (KESIP)**

**FOR THE PERIOD 2022 - 2025**

**Prishtina, August 2024**

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## 1 Abbreviations:

EU	European Union
RES	Renewable Energy Sources
RES-E	Electricity generated from renewable sources
CERT	Community Emergency Response Team
CO <sub>2</sub>	Carbon Dioxide
EE	Energy Efficiency
ESCO	Energy Service Company
ESIA	Environmental and Social Impact Assessment
IMES	Implementation Program of the Energy Strategy
KEEF	Kosovo Efficient Energy Fund
GG	Greenhouse Gas
IPF9	Infrastructure Project Facility - Technical Assistance 9
KEDS	Kosovo Electricity Distribution Company
KEK	Kosovo Energy Corporation
KfW	Reconstruction Credit Institute
KOSTT	Kosovo Transmission System and Market Operator
Ktoe	Kiloton of Oil Equivalent
MESTI	Ministry of Education, Science, Technology and Innovation
MCAK	Millennium Challenge Account-Kosovo
MCC	Millennium Challenge Corporation
ME	Ministry of Economy
MFK	Millennium Foundation Kosovo
MFLT	Ministry of Finance, Labour and Transfers
MESPI	Ministry of Environment, Spatial Planning and Infrastructure
MW	Megawat
MWt	Megawatt Thermal
NOx	Nitrogen Oxides
CH	Central Heating
DSO	Distribution System Operator
TSO	Transmission System Operator
SAIDI	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
SCADA	Supervisory Control and Data Acquisition
SO <sub>2</sub>	Sulfur Dioxide
EU ETS	European Union Emissions Trading System
WBIF	Western Balkans Investment Framework
ERO	Energy Regulatory Office

## 2 GENERAL BACKGROUND

The Ministry of Economy (ME) has developed the Kosovo Energy Strategy Implementation Program (KESIP) for the period 2022–2025, which was approved on September 5, 2023, by the Government of the Republic of Kosovo (GRK).

Based on Article 7, point 7 of Law No. 05/L-081 on Energy, the Ministry of Economy (ME) has a legal obligation to monitor the implementation of the Energy Strategy of Kosovo. Accordingly, the Ministry has prepared the six-month progress report for January–June 2024 on the Kosovo Energy Strategy Implementation Program (KESIP) for the period 2022–2025, as well as the level of implementation of the Energy Strategy for the period 2022–2031, which is in line with the requirements of the Administrative Instruction (AI) of the Government of the Republic of Kosovo (GRK) No. 07/2018 on Planning and Drafting Strategic Documents and Action Plans.

The Progress Report on the Implementation of the Energy Strategy for the period January–June 2024 has been prepared based on the implementation of activities outlined in the Kosovo Energy Strategy Implementation Program (KESIP) for the period 2022–2025.

The Kosovo Energy Strategy Implementation Program (KESIP) for the period 2022–2025 includes a list of five (5) strategic objectives, fifteen (15) specific objectives, and ninety (90) activities planned for the development of the energy sector.

The progress report aims to identify the degree of implementation of the projects/activities of the Kosovo Energy Strategy Implementation Program (KESIP) for the period January–June 2024, as well as to identify challenges and propose recommendations for decision-making by the relevant authorities.

Strategic Objective are as follows:

- Objective 1: Improving System Resilience;
- Objective 2: Decarbonization and Promoting Renewable Energy;
- Objective 3: Increasing Energy Efficiency (EE);
- Objective 4: Strengthening Regional Cooperation and Market Functioning;
- Objective 5: Protecting and Empowering Consumers.

## 2.1. GENERAL PROGRESS

The Kosovo Energy Strategy Implementation Program (KESIP) for the period 2022–2025 has envisaged a total of fifty-one (51) activities for 2024, along with nine (9) additional activities carried over from 2023. Out of a total of sixty (60) activities planned for implementation in 2024, progress was made in only thirty-six (36) during the first six (6) months.

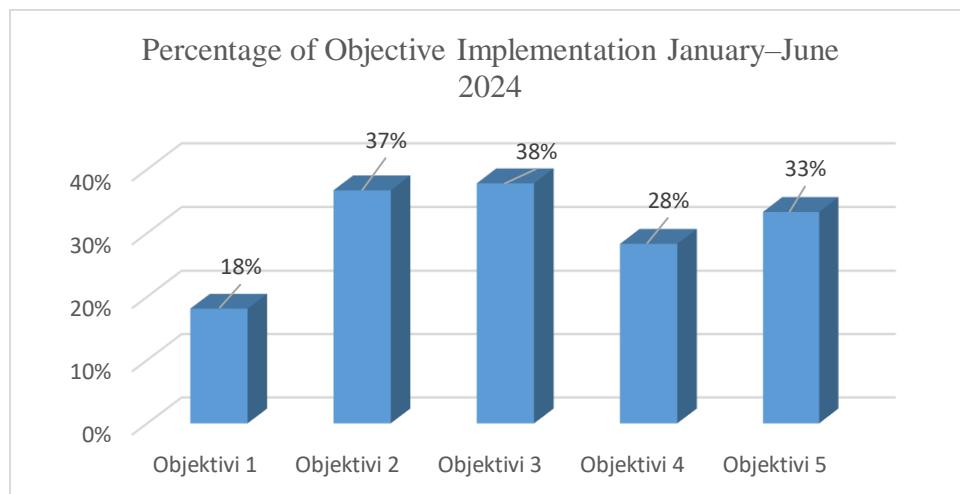
Objective 1 of the KESIP was implemented at eighteen percent (18%) during the period January–June 2024; Objective 2 was implemented at thirty-seven percent (37%); Objective 3 at thirty-eight percent (38%); Objective 4 at twenty-eight percent (28%); and Objective 5 at thirty-three percent (33%).

The achievements in implementing the objectives are presented in the tables and graphs.

**Table 1.** Percentage of Objective Implementation January–June 2024

	<b>January-June 2024</b>
Objective 1	18%
Objective 2	37%
Objective 3	38%
Objective 4	28%
Objective 5	33%
<b>Total of objective implementation</b>	<b>30.80%</b>

**Figure1.** Percentage of Objective Implementation January–June 2024

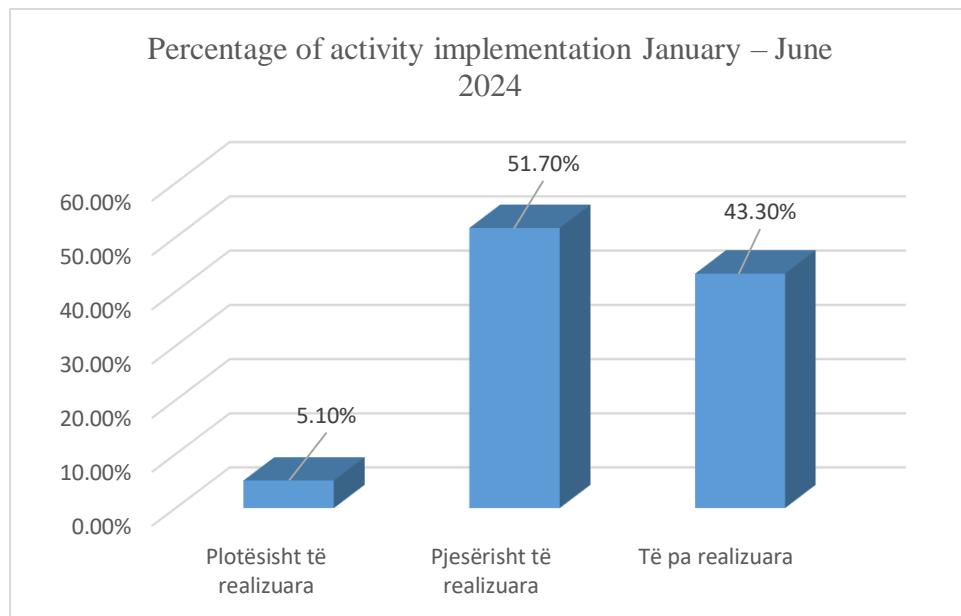


The total implementation of objectives for the period January–June 2024 is thirty point eight percent (30.8%).

During the period of January–June 2024, only three (3) activities, or five point one percent (5.1%), were fully implemented; thirty-one (31) activities, or fifty-one point seven percent (51.7%), were partially implemented; while twenty-six (26) activities, or forty-three point three percent (43.3%), were not implemented.

The above-mentioned data are also presented graphically below:

**Figure 2.** Percentage of activity implementation in the period January–June 2024



The objective with the best implementation for the period January–June 2024 is Objective 3: Increasing Energy Efficiency (EE), while the objective with the lowest implementation is Objective 1: Improving System Resilience; (ISR).

## 2.2 PROBLEMS AND RISKS

During the monitoring of the implementation of the Kosovo Energy Strategy Implementation Program (KESIP) for the period January–June 2024, several risks were encountered related to institutional capacity, financial capacity, regulatory environment, partnership and engagement of other institutions, as well as other external factors that emerged during the implementation of activities, which affect the implementation of the strategic document.

In monitoring the implementation of the Kosovo Energy Strategy Implementation Program (KESIP) for the period 2022–2025, the Ministry of Economy (ME), specifically the Department of Energy (DE), coordinated the drafting process of the Progress Report with the planned activities.

This monitoring was conducted in cooperation with responsible institutions where risks were identified, which will be addressed in the coming years with concrete measures. The Ministry of Economy (ME) will continue cooperation and coordination with relevant institutions and key enterprises in the energy sector to address all ongoing risks.

Identifying delays in the implementation of some planned projects leads us to take necessary and concrete steps to eliminate barriers that hinder the development of the energy sector. The planning of projects and activities by institutions responsible for electricity is crucial for the success and development of the energy sector. An important role is also played by facilitating numerous procedures to prevent delays and stagnation of projects.

### **2.3. CHALLANGES AND SHORTCOMINGS**

The challenges, shortcomings and obstacles encountered during the monitoring of this document are the same as the challenges emerged during the monitoring of the implementation for the years 2022-2023, which are related to the institutional capacity, financial capacity, regulatory facility, partnership and engagement of other institutions, as well as other external factors impacting the level of implementation of the strategic document.

During the implementation of planned projects and activities, responsible institutions may face challenges, shortcomings, and obstacles depending on the nature of the projects. Some of the challenges identified during the implementation of certain projects and activities are: non-signing of agreements for project financing and their ratification in the Assembly of the Republic of Kosovo.

Other challenges include: delays in obtaining permits from relevant institutions for construction, expropriation of lands and increase in market prices, outdated contract prices, delays in procurement processes.

### **2.4. CONCLUSIONS AND RECOMMENDATIONS FOR NEXT STEPS**

During the monitoring of the Progress Report, it can be concluded that for the period January–June 2024, the progress in the implementation of activities was unsatisfactory, with a progress rate of thirty point eight percent (30.8%) for this period.

One of the reasons for the obstacles to the implementation of activities is: non-ratification of financial agreements, improper planning of implementation timeliness for activities. Another obstacle that has caused delays in the timely implementation of activities is their interconnection with strategic documents and programs that were initially required to be approved and applicable. Numerous procedures for obtaining various permits for the implementation of planned activities, as well as procurement procedures, are also considered as another obstacle. The lack of workforce with specific profiles due to the absence of educational programs is another challenge.

## 2.5.NEXT STEPS

For the next steps, based on the conclusions and findings from the reporting of institutions on the implementation of activities and measures within the framework of strategic objectives, the following recommendations are made:

- Better planning of timeliness for the approval of the legal framework;
- Facilitation of procedures for obtaining permits to avoid delays in the commencement of project implementation;
- Timely property expropriation where projects are planned to be implemented;
- More accurate planning of activities and implementation timeliness of projects by institutions, taking into account the obstacles and challenges they may face during project implementation;
- Timely signing and ratification of financial agreements by responsible institutions;
- Revision of curricula at the secondary and higher education levels to align with specific job profiles.

## 3 DETAILED INFORMATION ON THE IMPLEMENTATION OF ACTIVITIES

### **Objective 1: Improving system resilience**

Improving system resilience includes all activities that ensure the security of electricity supply and the functioning of a sustainable power system.

The planned activities that have seen developments during this period and have contributed to improving system resilience are:

- Construction of the Fushë-Kosova Substation;
- Capital investments in Information Technology (IT);
- Medium voltage projects 35/10(20) kV;
- Expanded Network (Smart Grid).

### **Objective 2: Decarbonization and Promoting Renewable Energy**

The path towards reducing carbon dioxide emissions from the sector will be accompanied by the development of large-scale RES capacities, based on their technical and economic potential.

The majority of planned activities involve the initiation of drafting legislative acts, bylaws, plans and feasibility studies, aimed at creating suitable infrastructure for investments.

During the period January–June 2024, the following documents have been drafted:

- Law on Renewable Energy Resources (RES);
- Feasibility study for the development of the Solar District Heating (DH) project - SolarKosova;
- Feasibility Study & Environmental and Social Impact Assessment for the District Heating System in nine (9) municipalities of the Republic of Kosovo.

### **Objective 3: Increasing Energy Efficiency (EE)**

Increasing Energy Efficiency (EE) is essential for achieving four (4) targets of the Energy Strategy: it improves energy supply security and reduces dependency on imports, decreases the burden on consumers, and reduces GHG emissions and air pollution.

During the period January–June 2024, several activities that have influenced the increase of Energy Efficiency (EE) have been developed.

These activities are:

- Expansion and rehabilitation of the District Heating (DH) network in Prishtina;
- Implementation of Energy Efficiency (EE) measures in public buildings (center level)
- Implementation of Energy Efficiency (EE) measures in public buildings (at the municipal level);
- Installation of metering devices for “Termokos” consumers;
- Implementation of Energy Efficiency (EE) measures in the residential sector (individual houses)
- Feasibility study for increasing the thermal capacity at the Kosova B Cogeneration from 140 MWth to 280 MWth.

### **Objective 4: Strengthening Regional Cooperation and Market Functioning**

The Republic of Kosovo is committed to implementing all obligations of the Energy Community Treaty (ECT) for the establishment of a free, integrated and competitive energy market.

During the period January–June 2024, several activities developed during this period have influenced in strengthening regional cooperation and functioning of the market. These activities are related to:

- Coupling with the day-ahead market with Albania through the ALPEX power exchange.
- Coupling with the intraday market with Albania through the ALPEX power exchange.
- Drafting of the draft law on electricity;
- Drafting of the draft law on energy;
- Drafting the Draft Law on Energy Regulatory Office

## **Objective 5: Protecting and empowering consumers**

The Energy Strategy follows the individual-centred approach and sets objectives in these areas. For this purpose, several activities are planned in the Kosovo Energy Strategy Implementation Program (KESIP) for the period 2022-2025.

In the period January-June 2024, several activities have been planned to be carried out, however in this period only one activity has had satisfactory developments. This activity is related to:

- Drafting and adoption of a one (1) year program for the implementation of measures to support vulnerable consumers

## 4 ANNEX - PROGRESS REPORT MATRIX FOR THE PERIOD OF JANUARY-JUNE 2024

MONITORING OF THE IMPLEMENTATION OF KESIP 2022-2025: STRATEGIC OBJECTIVE 1				
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### SO1: IMPROVING SYSTEM RESILIENCE

No.	Strategic and specific objectives, indicators and actions	Baseline value	Short-term objective 2025	Last year's objective 2031	Result					
I.	<b>STRATEGIC OBJECTIVE 1: IMPROVING SYSTEM RESILIENCE</b>									
1.	Indicator: System Average Interruption Duration Index (SAIDI)	SAIDI: 80.83 hours/year (2021)	SAIDI: 63 hours/year	SAIDI: 51.84 hours/year						
2.	Indicator: System Average Interruption Frequency Index (SAIFI)	SAIFI: 58.27 (2021)	SAIFI: 49	SAIFI: 40.86						
I.1	<b>Specific Objective: Enhancing system flexibility</b>									
	Indicator	Baseline value	Short-term objective 2025	Last year's objective 2031						
1	Flexible regulation capacity level	5 MW (2022)	5 MW	170 MW						
No.	Action	Deadline	Budget			Funding source	Leading and supporting institution	Product	References to documents	Implementation in progress January-June 2024
			Year 2022	Year 2023	Year 2024					

I.1.1	Preparation of pre-feasibility, feasibility and technical projects for the battery storage system	2025	€ -	\$ 1,180,837.00	\$ 3,078,637.00	\$ 242,079.00	Donors	MCC, ME, KOSTT	Prepared technical documentation Energy Strategy for the period 2022-2031 Consultant for the battery energy storage system (BESS) was contracted and started work in November 2023. Currently, work has started on the basic BESS design including the battery system and the connection to the transmission network, as well as the preparation of the bidding package for BESS construction. The consultant has completed the geotechnical analyzes of the location where the battery system will be built for the needs of KOSTT. A request for market information of battery building companies has also been launched, and a market research report on the latest BESS technologies and parameters has

been prepared. Finally, the initial basic design for the substation and battery system, as well as other reports in support of project development, have been drawn up.

I.1.2	Technical and legal support for the integration of batteries - MCC Project	2025	€ -	\$ 1,916,000.00	\$ 2,034,667.00	\$ 2,045,667.00	Donors	MCC, ME, KOSTT	Prepared technical documentation	Energy Strategy for the period 2022-2031	The Battery Energy Storage System (BESS) Support Consultants were contracted in May 2023 and were engaged in the design and completion of the legal framework to enable the connection of batteries to the network as well as the analysis of options for ownership of batteries for KOSTT. These two (2) consultants have provided general support for the preparation of documentation for the establishment of the new publicly-owned enterprise Energy Storage Corporation J.S.C. (Korporata e Ruajtjes së Energisë Sh.A.) by decision of the Government of the Republic of Kosovo (GRK), as well as support in fulfilling the preconditions. This support has continued
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								throughout 2024. Regarding the operationalisation of the new publicly-owned enterprise, after the establishment of the enterprise by decision of the Government of the Republic of Kosovo (GRK) on March 13, 2024, the inclusion in the procurement plan of MCA-Kosovo for consultancy in the recruitment of the enterprise staff was approved, as well as consultancy for technical assistance, which will support the company in drafting the business plan, technical regulations for battery operation, corporate and financial governance policies, etc. The terms of reference for these two consultancies are being drafted.
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I.1.3	Gas Development Master Plan and Environmental Impact Assessment (EIA)	2023	€ 750,000.00	€ 750,000.00	€ -	€ -	WBIF / IPF9	ME, MESPI, MIET	Gas Master Plan and Environmental Impact Assessment Finalized	Energy Strategy for the period 2022-2031	Completed.
I.1.4	Feasibility study for the North Macedonia-Kosovo Gas Interconnection Pipeline.	2023	€ 325,000.00	€ 325,000.00	€ -	€ -	WBIF/IPF 9	ME, MESPI, MIET	Feasibility study finalized	Energy Strategy for the period 2022-2031	Completed.
I.1.5	Study to identify the potential of geothermal energy in Kosovo	2025				€ 750,000.00	Donors	ME	Feasibility study implemented.	Energy Strategy for the period 2022-2031	Not started yet.
<b>I.2 Specific Objective: Modernization of networks and network loss reduction</b>											
	Indicator	Baseline value			Short-term objective 2025		Last year's objective 2031				
1	Distribution losses	18.48% [2021]			13.3%		9%				
2	The amount of variable RES capacity that the network is able to process/integrate	147 MW [2021]			500 MW		2000 MW				
No.	Action	Deadline	Budget				Funding source	Leading and supporting institution	Product	References to documents	Implementation in progress January-June 2024
			Year 2022	Year 2023	Year 2024	Year 2025					
I.2.1	Development of the system (SCADA & Telecommunications)	Yearly	€ -	€ 5,684,923.33	€ 4,063,814.93	€ 1,863,702.50	KOSTT	KOSTT	ENSO-E requirements have been met	Energy Strategy for the period 2022-2031	The projects have been transferred to the group of projects for financing

I.2.2	Strengthening and rehabilitating the existing electricity network (TSO)	Yearly	2,400,000.00€	€ 2,260,000.00	€ <b>1,063,542.37</b>	€ 1,354,203.39	KOSTT	KOSTT	Enhancing network reliability and security	Energy Strategy for the period 2022-2031	with KfW phase VII, and will be implemented as a package of projects divided into LOT1, LOT2, LOT 3 and LOT 4. The project has delays, due to the delay in the ratification of the agreement with KfW. Financial realization €0. The selection phase of the Consulting company which will prepare the technical specifications and tender dossier has begun.
I.2.3	Construction of new transmission capacities and transformational capacities - Shunt-variable reactor (100 MWar)	2025	€ -	€ 1,000,000.00	€ -	€ 3,449,152.54	KOSTT	KOSTT	Enhancing network reliability and security. Meeting the Grid Code requirements.	Energy Strategy for the period 2022-2031	
I.2.4	Support for the new load/connections 110/10 (20) kV (TSO & DSO) (SS Kastriot - Ferizaj 3 and TS Malisheva), (SS Kastrioti - Ferizaj 3 and TS Malisheva);	Yearly	3,000,000.00€	€ 5,061,277.00	€ <b>10,094,931.52</b>	€ -	KOSTT	KOSTT	Reduction of energy losses and unserved power	Energy Strategy for the period 2022-2031	1. SS Ferizaj 3 - Kastriot Project was completed in June 2023, on time and according to the budget, but forty percent (40%) has not been energized. The energization of the substation is related to the “Construction of the 110kV line/cable for connection of the new substation 110/35/10(20)

kV Ferizaj 3 - Kastrioti” Project, and the line construction process has been delayed due to the suspension by MESPI, as a result of several complaints in court by landowners seventy five percent (75%).

2. The “Construction of SS Fushë - Kosovo” Project during the six (6) months of 2024 has been completed according to the plan and budget. The project is related to the “Supply and installation of the 40MVA transformer in SS Fushë - Kosovo” project which is expected to be completed in May 2025. Energization of the SS is expected in 2025 seventy five percent (75%).

										3. In accordance with the Law, for the SS Malisheva Project, the documentation - design is being prepared for the application for obtaining construction permits. Design Project eighty five percent (85%). After the final completion of the design, the tender for the construction of the substation is expected.	
I.2.5	Medium Voltage Projects 35/10(20) kV	Yearly	9,247,735.33€	€ 13,216,444.00	€ 8,800,613.00	€ 7,232,203.00	KEDS	KEDS	Improvement of the electricity supply quality	Energy Strategy for the period 2022-2031 Distribution System Operator Development and Investment Plan for the period 2023-2027	The implementation of MV projects is mainly focused in the Districts of: Gjakova, Mitrovica, Prishtina, Ferizaj, Gjilan, Peja and Prizren in the amount of €3,286,949.0334
I.2.6	Low Voltage Projects 0.4 kV.	Yearly	6,086,381.41€	€ 7,025,149.00	€ 13,795,229.00	€ 9,677,563.00	KEDS	KEDS	Improvement of the electricity supply quality	Energy Strategy for the period 2022-2031 Distribution System	- The implementation of LV projects is mainly focused in the Districts of: Gjakova,

								Operator Development and Investment Plan for the period 2023-2027	Mitrovica, Prishtina, Ferizaj, Gjilan, Peja and Prizren in the amount of €3,638,636.5941
"I2.7	Smart Grid	Yearly	€ 14,513.93	€ 2,413,843.29	€ <b>3,444,527.64</b>	€ 1,765,071.00	KEDS	KEDS	<p>Improvement of the electricity supply quality</p> <p>Energy Strategy for the period 2022-2031</p> <p>Distribution System Operator Development and Investment Plan for the period 2023-2027</p> <p>The management of the electricity distribution system, its maintenance, control and monitoring are the main challenges of the companies operating with this system. Electricity substations always require measurements, supervision, controls, operations and protection functions in order to improve and enhance the reliability of electricity supply.</p> <p>Integration of automation systems, changes to the existing electricity network, installation of new equipment, use of machines are just some of</p>

										the investments foreseen in 2024
I.2.8	Installation of meters.	Yearly	1,612,032.60€	€ 4,000,015.00	€ <b>2,494,035.00</b>	€ 2,111,940.00	KEDS	KEDS	Reduction of commercial losses for the period 2022-2025, it is projected that approximately 121,782 new meters will be installed - new connections , while around 86,578 meters are expected to be replaced.	Energy Strategy for the period 2022-2031 Distribution System Operator Development and Investment Plan for the period 2023-2027
I.2.9	Capital investments in Information Technology	Yearly	€ 896,096.30	€ 1,544,650.00	€ <b>2,147,700.00</b>	€ 1,331,800.00	KEDS	KEDS	Safe operation of DSO	€1,063,982.84 - Information technology projects are investments of high importance for DSO, used in the areas of business

									ent and Investment Plan for the period 2023-2027	continuity, efficiency, and communication.	
<b>I.3 Specific Objective: Rehabilitating the existing energy generation capacity</b>											
	Indicator	Baseline value			Short-term objective 2025		Last year's objective 2031				
1	Number of renovated lignite units	0 [2021]			2		3 or 4				
2	Number of closed lignite units	0 [2021]			0		1 or 2				
No.	Action	Deadline	Budget				Funding source	Leading and supporting institution	Product	References to documents	Implementation progress January-June 2024
I.3.1	Rehabilitation of Kosova B1 unit	2024	€ -	€ 7,500,000.00	€ 88,000,000.00	€ -	KEK: € 49.5 million EU Grant: € 38.5 million (Electrofilters & De-Nox).	KEK, ME, ERO	Reduction of dust, NOx and SO <sub>2</sub> emissions Dust: 20 mg/ Nm <sup>3</sup> , NOx: 200 mg/ Nm <sup>3</sup> , SO <sub>2</sub> : 600 mg/ Nm	Energy Strategy 2022-2031 KEK Development Strategy 2021-2025	The DeNOx and Electrostatic Filters (electrofilters) project has been postponed to 2025 for unit B2 and 2026 for unit B1. Because of this postponement, the projects that KEK/TCB has planned to implement in this period of time for DeNOx and electrostatic

								filters have also been postponement. This means that there is no progress in the implementation of projects in the period January - June 2024.	
I.3.2	Rehabilitation of Kosova B2 unit	2025	€ -	€ 7,500,000.00	€ -	€ 88,000,000.00	KEK - €49.5 million EU Grant - €38.5 million (Electrofilters & De-Nox)	KEK, ME, ERO	The DeNOx and Electrostatic Filters (electrofilters) project has been postponed to 2025 for unit B2 and 2026 for unit B1. Because of this postponement, the projects that KEK/TCB has planned to implement in this period of time for DeNOx and electrostatic filters have also been postponement. This means that there is no progress in the implementation of projects in the period January - June 2024.

I.3.3	Rehabilitation of one unit of Kosova A	2024	-	€ 15,000,000.00	€ 105,000,000.00	€ -	KEK	KEK, ME, ERO	Increase capacity from 130 MW to 180 MW.	Energy Strategy 2022 - 2031	The technical specification has been completed and submitted to Senior Management and the Board.
I.3.4	Machinery, conveyor belts, expropriations and other investments in the expropriation of mines	2024	3,800,000.00€	€ 48,200,000.00	€ 28,340,000.00	€ 28,340,000.00	KEK	KEK, ME, ERO	Investment in mine	Energy Strategy 2022 - 2031	From the initiating units, all requests that have reached DIP, have been proceeded for further addressing in DF and ZEP.
I.4	<b>Specific Objective: Ensuring cybersecurity of the energy sector</b>										
	<b>Indicator</b>	<b>Baseline value</b>			<b>Short-term objective 2025</b>		<b>Last year's objective 2031</b>				
1	Cyber-response capabilities.	Nonexistent			Exist		Exist				
No.	Action	Deadline	<b>Budget</b>				Funding source	Leading and supporting institution	Product	References to documents	Implementation in progress January-June 2024
I.4.1	Adoption of the Law on Security of Networks and Information Systems	2022	€ 120,000.00	€ -	€ -	€ -	Kosovo Budget (KB)	MIA, ME,	Law adopted	Annual Performance Report	Completed.
I.4.2	Approval of bylaws stemming from the Law on Security of Networks and Information Systems	2023	€ -	€ 100,000.00	€ -	€ -	Kosovo Budget (KB)	MIA, ME, ERO, KOSTT	Secondary legislation adopted.	Law on Security of Networks and Information Systems	No progress

I.4.3	Establishment of the Sectoral Energy Computer Emergency Response Team (eCERT) in Kosovo	2025	€ -	€ 252,250.00	€ <b>300,000.00</b>	€ 50,000.00	Kosovo Budget, donors	ME, National CERT, MIA, ERO, KOSTT, KEK, KEDS	Sectoral Energy Computer Emergency Response Team (eCERT) in Kosovo established	Energy Strategy for the period 2022-2031	The terms of reference and technical specifications for the establishment project of the energy sectoral CERT have been finalized. It is expected that the Ministry of Economy (ME) will announce the tendering process for the establishment of this CERT.
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**MONITORING OF THE IMPLEMENTATION OF ESIP 2022-2025: STRATEGIC OBJECTIVE 2**

**SO2: DECARBONISATION AND PROMOTING RENEWABLE ENERGY**

No.	Strategic and specific objectives, indicators and actions	Baseline value	Interim objective 2025	Last year's objective 2031	Result
II.	<b>STRATEGIC OBJECTIVE 2: DECARBONISATION AND PROMOTING RENEWABLE ENERGY</b>				
1	Reduction of GHG emissions in the electricity sector compared to 2019	0% [2019] (6316 ktCO2)	0%	-32%	
2	The share of renewable energy sources in the consumption of the electricity sector (RES)	6.3% [2021]	Minimum 13%	Minimum 35%	
II.1	<b>Specific Objective: Gradual implementation of the carbon price</b>				
	Indicator	Baseline value	Short-term objective 2025	Last year's objective 2031	

1	Gradual introduction of the carbon price	Not introduced [2021]			The preparation for one carbon pricing system has been completed.	Integration into EU ETS					
No.	Action	Deadline	Budget				Funding source	Leading and supporting institution	Product	References to documents	Implementation progress January-June 2024
			Year 2022	Year 2023	Year 2024	Year 2025					
II.1. 1	Drafting of the Long-Term Decarbonisation Strategy	2024	€ -	€ 37,228.13	€ 32,228.13	€ -	Kosovo Budget (KB)	MESPI	Strategy drafted and adopted	Draft Law on Climate Change	No progress
II.1. 2	Transposition and implementation of regulations MRR (EU) 2018/2066, AVR (EU) 2018/2067, and AR (EC) and 765/2008	2025	€ -	€ -	€ 26,296.00	€ 26,296.00	Kosovo Budget (KB)	MESPI	Transpose d regulation concerning monitoring, reporting and verification	Draft Law on Climate Change	No progress
II.1. 3	The establishment of supportive infrastructure and governance system	2025	€ -	€ -	€ 13,000.00	€ 13,000.00	Kosovo Budget (KB)	ME, MESPI	Functioning of the governance system for monitoring, reporting and verification of carbon emissions	Draft Law on Climate Change	No progress

II.1. 4	Carbon pricing impact study	2024-2025	€ -	€ -	€ -	€ 600,000.00	IMF	MESPI	Study completed		Not started yet.
II.2	<b>Specific Objective: Promotion of renewable energy in the electricity consumption</b>										
	Indicator	Baseline value			Short-term objective 2025		Last year's objective 2031				
1	Total renewable capacity in the electricity sector (including prosumers)	279 MW [2021]			490 MW		1600 MW				
2	Capacity of self-consumer producers (prosumers)	2 MW (2021)			30 MW		Minimum 100 MW				
No.	Action	Deadline	Budget				Funding source	Leading and supporting institution	Product	References to documents	Implementation progress January-June 2024
II.2. 1	Drafting the Law on Renewable Energy Sources (RES)	2023	12,000.00 €	€ 2,000.00	€ -	€ -	ME, Donors	ME	The Law on RES drafted and adopted.	Energy Strategy for the period 2022-2031	Law No. 08/L-258 on the Promotion of the Use of RES was adopted by the Assembly of the Republic of Kosovo, and was published in the Official Gazette (GZ), on 02.05.2024.
II.2. 2	Adoption of bylaws related to Law on Renewable Energy Sources (RES).	2024	€ -	€ 8,000.00	€ 8,000.00	€ -	ME, Donors	ME, ERO	Secondary legislation adopted	Energy Strategy for the period 2022-2031	Following the adoption of Law No. 08/L-258 on the Promotion of the Use of RES, and following the approval of the Legislative Plan of the ME, the officials responsible for each of the nine (9) draft by-laws have been appointed.

II.2. 3	Drafting of secondary legislation on prosumers;	2023	€ 6,000.00	€ -	€ -	€ -	Donors	ERO	Secondary legislation adopted	Rules on prosumers.	Completed.
II.2. 4	Finalization of DSO connection fee methodology	2023	20,000.00 €	€ -	€ -	€ -	ERO	ERO, DSO	Grid integration	Grid Code	Completed.
II.2. 5	Drafting of the National Energy and Climate Plan 2025-2030	2024	€ 30,000.00	€ 10,000.00	€ -	€ -	GIZ	ME, MESPI	NCEP has been finalized and adopted	Energy Strategy for the period 2022-2031	The preliminary discussion of the document has ended, it is in the stage of handling comments and is expected to be sent for public discussion.
II.2. 6	Announcement of the first pilot auction	2023	€ 4,000.00	€ 20,000.00	€ -	€ -	Kosovo Budget (KB)	ME, ERO	Organizing competitive auctions to increase the share of RES starting with 100 MW	Energy Strategy for the period 2022-2031	Completed.
II.2. 7	Awarding and contracting of the first pilot auction	2023	€ -	€ 4,000.00	€ -	€ -	Kosovo Budget (KB)	ME, ERO	Energy Strategy for the period 2022-2031	Completed.	

II.2.8	Construction of capacities of 100 MW	2025	€ -	€ -	€ 75,000,000.00	€ -	Private investment	ME, ERO	Construction of the 100 MW PV solar power plant	Energy Strategy for the period 2022-2031	Organization of one (1) competitive auction to increase RES share starting with 100 MW Photovoltaic - The deadline for the submission of bids was 31 January 2024. On 3 February 2024, the Commission opened the bids. A total of six (6) bids were received and reviewed by the Bid Evaluation Commission, where five (5) bidders were deemed responsive and on 29 March 2024, the public auction was organized, and the winner of the first 100 MW photovoltaic (PV) solar auction was announced. On 31 May 2024, the project development agreement and other agreements based on the tender dossier were signed. The bidder who has signed the project agreements will achieve the financial close within one (1) year from the date of signing the Project Agreements and will commission the PV solar power plant within two (2) years from the date of signing the Project Agreements.
II.2.9	Establishment of a unit for the development of new capacities	2024	€ -	€ -	€ 36,000.00	€ -	Kosovo Budget (KB)	ME	BRE Capacity Development Unit established	Energy Strategy 2022 - 2031	The unit was established with the approval of the internal regulation of the Ministry of Economy in March 2023. In February 2024, an official from the Department of Energy (DE) was transferred to the unit, serving as a substitute for the Administrative Support Division.
II.2.10	Construction of the 100 MW solar power plant in KEK	2025	€ -	€ 500,000.00	€ 65,000,000.00	€ 40,000,000.00	10,000,000 € KEK Donation from KfW, EIB	KEK	Construction of the 100 MW solar plant, which is expected to be operational in 2025	Energy Strategy 2022-2031 KEK Development Strategy 2021-2025	In the process of being included in the Municipal Development Plan (MDP) – Municipality of Fushë-Kosovë and in the Zonal Maps - Municipality of Obiliq. The process of selecting the Implementation Consultant for the preparation of the tender dossier for the projects implementation is nearing completion.

									The loan agreement with the European Investment Bank (EIB) was signed between the Ministry of Finance - KEK - EIB in March 2024. The loan agreement with KfW Development Bank was ratified in the Assembly of the Republic of Kosovo in June 2024.
II.2. 11	Feasibility study for identification of public lands suitable for PV and wind (third phase)	2023	€ -	€ 299,000.00	€ -	€ -	European Commission	ME, MESPI	Assessment of appropriate publicly-owned RES locations
II.2. 12	Preparatory work for launching the second technology-specific auction	2023-2024		€ 9,000.00	€ 9,000.00	€ -	ME, Donors	ME	Drafting the Tender Dossier and Announcing the Auction

									Committee. The construction of 150 MW wind capacities will be divided into two (2) competitive processes and will offer Power Purchase Agreements (PPAs) for at least fifteen (15) years. This approach aims to ensure competition while enabling the use of existing reliable wind measurement data to optimize and select locations for project feasibility. The projects are planned to include a Public-Private Partnership (PPP) component, which will be implemented for the first time in such a project in the region. On 23 April 2024, the Ministry of Economy submitted a request to the Energy Regulatory Office (ERO) to assess the achievement of RES targets and strategic objectives through authorization procedures, and subsequently, the Board of the ERO, on 31 May 2024, decided that the 150 MW wind auction project will not be subject to the authorization procedure and will be implemented in accordance with the Law on Public-Private Partnership (PPP).
II.2. 13	Support for wind generating capacities, including technical preparation of specific projects	2025	€ -	€ 500,000.0 0	€ <b>1,000,000 .00</b>	€ 500,000.0 0	Donors	Donors	Technical studies, wind measuring equipment and other relevant technical assistance  Energy Strategy 2022 - 2031  No progress

II.2. 14	Promoting and facilitating the integration of Renewable Energy Sources and energy efficiency (EE) practices	2026	€ 264,100.00	€ 2,413,100.00	€ 1,715,300.00	Lux Dev	ME, KFEE, MESPI	Implementation of EE & RES measures, assisting in the design of the EE & RES regulatory framework and ensuring access to financing mechanisms for small-scale RES and EE	Energy Strategy for the period 2022-2031	In November 2023, a Bilateral Agreement was signed between the Government of the Republic of Kosovo and the Government of the Grand Duchy of Luxembourg regarding the Development Cooperation Project “KSV/024: Energy Transition and Climate Mitigation in Kosovo”. This project is implemented by LuxDev. During the period January–April 2024, staff recruitment was conducted. The project envisaged a period of four (4) to six (6) months as an initial phase to design activities in their final form. On 18 June, a Steering Committee meeting was held, where the Work Plan of the project “KSV/024: Energy Transition and Climate Mitigation in Kosovo” was approved. The project has begun reviewing the legal framework for Energy Efficiency (EE) and Renewable Energy Sources (RES).									
<b>II.3 Specific Objective: Promotion of sustainable use of renewable energy for heating</b>																			
	<b>Indicator</b>	<b>Baseline value</b>		<b>Short-term objective 2025</b>		<b>Last year's objective 2031</b>													
1	Installed capacity of RES in District Heating (DH) systems	15 MWth		Minimum 65 MWth		To be determined by the feasibility study.													
No.	Action	Deadline	<b>Budget</b> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Year</th><th>Year</th><th>Year</th><th>Year</th></tr> </thead> <tbody> <tr> <td>2022</td><td>2023</td><td>2024</td><td>2025</td></tr> </tbody> </table>				Year	Year	Year	Year	2022	2023	2024	2025	Funding source	Leading and supporting institution	Product	References to documents	<b>Implementation progress January-June 2024</b>
Year	Year	Year	Year																
2022	2023	2024	2025																

II.3.1	Feasibility Study & Environmental and Social Impact Assessment (ESIA) for District Heating (DH) systems in 9 municipalities of Kosovo (Gjilan, Ferizaj, Prizren, Peja, Drenas, Obiliq, North and South Mitrovica & Zveçan)	2023	1,000,000 .00€	1,350,000 .00€	€ -	€ -	WBIF/IP F10	ME, MESPI, Municipalities, MFLT	Feasibility Study & ESIA completed	Energy Strategy for the period 2022-2031	On 30 May 2024, the 5th meeting of the Steering Committee was held, attended by other interested parties. At this meeting, the final consultancy work related to the study was presented, and discussions were conducted. We are awaiting the receipt of the finalized study with the translations required according to the terms of reference.
II.3.2	Solar4Kosovo – Feasibility study for the development of the solar central heating project	2024	€ -	€ -	€ 1,000,000 .00	€ -	KfW, EBRD	Termokos	Feasibility study completed	Energy Strategy 2022-2031 Termokos Development Plan 2022-2031	Regarding developments for this project, the following have been completed: -Feasibility Study; -ESIA Project (Environmental and Social Impact Assessment), prepared by CES-iC and financed by KfW; -The location in the New Hade zone comprising 25 hectares of land has been defined and approved for the installation of solar panels and the thermal energy reservoir; -The consultancy company for the project has been selected: iC – CES Consulenteen from Vienna. Meanwhile, the activities carried out and in progress related to this project during the six (6) month period January – June 2024 are:

										<ul style="list-style-type: none"> <li>• The contract with the consultancy company for the project, iC – CES Consulanten from Vienna, was signed in January 2024;</li> <li>• The project design and the Master Plan for network expansion within this project are being prepared;</li> <li>• The tender documentation (terms of reference) for the selection of contractors is being prepared. The publication of the tender for selecting the contractor is planned for December 2024;</li> <li>• Work has continued on securing permits and approvals for works related to site analysis (drilling for geomechanical analyses), the impact of the 110kV line on the solar park, the water supply network in the Arbëria neighborhood, etc.</li> </ul>
II.3.3	Construction of the Solar District Heating Project – Solar4Kosovë	2027	€ -	€ <b>45,520,162.00</b>	€ 36,000,000.00	KfW, EBRD, WBIF, National Contribution	Termokos	Additional 50 MWth of solar energy for Termokos, benefiting up to 12,000 households.	Energy Strategy 2022-2031 Termokos Development Plan 2022-2031	The implementation of the project has not yet commenced.

**MONITORING OF THE IMPLEMENTATION OF ESIP 2022-2025: STRATEGIC OBJECTIVE 3**

**SO3: INCREASING ENERGY EFFICIENCY (EE)**

No.	Strategic and specific objectives , indicators and actions	Baseline value	Interim objective 2025	Last year's objective 2031	Result
III.	<b>STRATEGIC OBJECTIVE 3: INCREASING ENERGY EFFICIENCY (EE)</b>				
1	Indicator: The level of final energy consumption	1516 ktoe [2017]	1709 ktoe	1877 ktoe	
2	Indicator: Cumulative energy savings achieved in the construction sector	2.7 ktoe [2021]	17.76 ktoe	266.4 ktoe	
III.1	<b>Specific Objective: Improving Energy Efficiency (EE) in buildings</b>				
	Indicator	Baseline value	Short-term objective 2025	Last year's objective 2031	
1	Total cumulative energy savings in public buildings	2.6 ktoe [2021]	3.3 ktoe	33.9 ktoe	

2	Total cumulative energy savings in residential and commercial public buildings	0.1 ktoe [2021]	14.46 ktoe	232.5 ktoe							
3	The number of buildings with near-zero energy consumption	0	10	150	Improving the energy efficiency of new public buildings						
No.	Action	Deadline	Budget				Funding source	Leading and supporting institution	Product	References to documents	Implementation progress January-June 2024
			Year 2022	Year 2023	Year 2024	Year 2025					
III.1.1	Review of the Law on Energy Efficiency (EE)	2023	€ -	€ 10,800.00	€ -	€ -	Kosovo Budget, donors	ME, MESPI, KFEE	Law on Energy Efficiency adopted	Energy Strategy for the period 2022-2031	The final draft prepared by the Consultancy and the Working Group (WG) has been received, and this draft has been forwarded to the Working Group (WG) for comments. After addressing the comments, the final draft has been finalized and is ready for preliminary and public discussion.
III.1.2	Approval of bylaws related to Law on Energy Efficiency	2024	€ -	-	€ 90,000.00	€ -	Kosovo Budget, donors	ME, MESPI, KFEE	Approval of secondary legislation related to the Law on Energy Efficiency	Law on Energy Efficiency	According to the plan, the activity is expected to begin after the approval of the Law on Energy Efficiency (EE).

III.1.3	Review of the Law on Energy Performance of Buildings	2023	€ 22,600.00	-	-	€ -	Kosovo Budget, donors	MESPI	Law on Energy Performance of Buildings adopted	National Development Plan 2023-2025	Completed.
III.1.4	Adoption of bylaws related to the Energy Performance of Buildings	2024	€ 150,000.00	€ 20,000.00	€ -	€ -	Kosovo Budget, donors	MESPI	Adoption of secondary legislation related to the energy performance of buildings	Law on Energy Performance of Buildings	No progress
III.1.5	Developing the National Register of Energy Performance of Buildings	2023	€ 90,000.00	€ 20,000.00	€ -	€ -	Kosovo Budget: € 20,000 Donors: € 90,000	MESPI, ME	There is a functional national register	Law on EE & Law on Energy Performance of Buildings	The National Registry is in the process of being built and tested concerning the field of Energy Performance in Buildings, specifically work has been done on the narrative process of EPCs. The project is being developed with support from KEP-GIZ and in cooperation with the Ministry of Economy (ME); it has been installed as a system on the servers of the AIS.
III.1.6	Drafting and adoption the Building Renovation Strategy	2024	€ -	€ -	€ 25,000.00	€ -	Donors	MESPI	Building Renovation Strategy adopted	Law on EE & Law on Energy Performance of Buildings	This activity shall commence after the entry into force of the Law on Energy Performance in Buildings.
III.1.7	Public awareness-raising campaign	Yearly	€ 10,000.00	€ 5,000.00	€ 5,000.00	€ -	Kosovo Budget, donors	ME, KFEE, MESPI	Public awareness-raising campaigns organized	Energy Strategy for the period 2022-2031	No progress

III.1.8	Implementation of Energy Efficiency (EE) measures in public buildings (central level)	2023	€ -	€ 2,400,00 0.00	€ -	€ -	Kosovo Budget (KB), Donors (WB)	ME	Twelve (12) public buildings at the central level (05. ktoe)	Energy Strategy for the period 2022-2031	LOT 1 - Renovation of six (6) hospital buildings located at the Hospital Center in UCCK - works on four (4) hospital buildings were completed in May, while work on the remaining two (2) buildings has continued. LOT 2 - The contract for the renovation of six (6) public buildings - three (3) hospital buildings and three (3) administrative buildings in Prishtina, Prizren, Gjakova, and Gjilan - works began in February and are expected to be completed in November 2024.
III.1.9	Implementation of Energy Efficiency (EE) measures in public buildings (at the municipal level);	Yearly	€ 6,435.06 1.23	€ 9,924,93 8.77	€ 500,000. 00	##### ###	Kosovo Budget (KB), Donors (EU, WB-KEEREP)	KEEF	Energy saving about 3 ktoe/year	Energy Strategy for the period 2022-2031	<p>The Kosovo Energy Efficiency Fund (KEEF) published two public calls in 2020 and 2021, inviting all municipalities to apply for public buildings and street lighting systems, with the aim of improving Energy Efficiency (EE), within the Municipal Energy Efficiency Project (MEEP) supported by the World Bank (WB), the European Union, and the Government of the Republic of Kosovo (GRK). From these calls, one hundred and fifty (150) Project Initiation Agreements have been signed, and from them, for eighty-six (86) facilities, KEEF has signed Energy Service Agreements with municipalities. Within these projects, contracts have been signed for consultancy (energy audit, design, and supervision) and for the implementation of works.</p> <p>During the period January–June 2024, the Energy Audit (EA) and the design of thirty-four (34) new facilities from previous public calls have been completed, and for seventeen (17), the preparation for tendering of contractor contracts and supervision contracts has continued. The total number of completed projects remains eighty-three (83), and the value of energy savings is</p>

									1.67 ktoe/year. The total budget spent for this process has reached the total value of €15,334,426.52.
III.1. 10	Implementation of Energy Efficiency (EE) measures in public buildings (at the municipal level);	2023	€ -	€ 2,500,00 0.00	##### ###	Kosovo Budget, KfW, WBIF	ME	Eight (8) school buildings (1 ktoe)	Energy Strategy for the period 2022-2031  The Project Implementation Unit established.
III.1. 11	Green Cities Framework 2 Window 2 - Energy Efficiency (EE) in Public Buildings	2025	€ -	€ 1,000,00 0.00	€ 2,000,00 0.00	##### ###	Loan from the EBRD.	Municipality of Prishtina	Implementation of EE measures in up to 47 buildings owned by the municipality. Energy  Energy Strategy for the period 2022-2031  No progress

	in Prishtina							saving 1 ktoe		
III.1. 12	Implementation of Energy Efficiency (EE) measures in public buildings in Prizren	2025	€ -	€ 1,000,00 0.00	€ 2,000,00 0.00	##### ##	Loan from the EBRD.	Municipality of Prizren	Implementation of Energy Efficiency (EE) measures in up to 47 buildings owned by the municipality. Energy saving 1 ktoe	Energy Strategy for the period 2022-2031
									No progress	
III.1. 13	Implementation of Energy Efficiency (EE) measures in the residential sector (twenty-six (26) Multi-Apartment Buildings (MABs);	2022	€ 4,850,00 0.00	€ -	€ -	€ -	MMC- Millennium Foundation Kosovo	MCC, ME, Municipality	twenty-six (26) multi-apartment buildings renovated, achieving savings of up to thirty percent (30%).	The Law on Energy Efficiency, the Law on Energy Performance of Buildings, the 4th National Action Plan for Energy Efficiency (EE)
									Completed.	
III.1. 14	Feasibility study for the implement	2024	€ -	€ -	€ 200,000. 00	€ -	Donors (WBIF)	KEEF	Feasibility study completed	GAP analyses has been carried out, as well as the final studies for the schemes in the residential sector have been carried out and presented.

	ation of Energy Efficiency (EE) measures in the residential and private sector							2022-2031	
III.1.15	Implementation of Energy Efficiency (EE) measures in the residential sector (individual houses)	2024	€ -	€ 5,000,00 0.00	€ 5,000,00 0.00	€ -	European Commission / IPA Funds	KEEF	Energy saving - 2 ktoe/year  Energy Strategy for the period 2022-2031  During 2023, the Kosovo Energy Efficiency Fund (KEEF) published a Public Call. The Public Call for Applications for the implementation of the “Emergency Project for the Implementation of Energy Efficiency (EE) Measures for Individual Residential Houses” with the support of the European Union (EU), under the IPA program, Energy Support Package of the Government of the Republic of Kosovo (GRK). From this call, three thousand three hundred and twenty-one (3,321) applications have been reviewed; of these, two thousand one hundred and fifty (2,150) have been pre-approved with a value of €8,230,050.00; on the waiting list are one thousand and ten (1,010) cases, and one hundred and sixty-one (161) have been canceled. KEEF has received around one thousand seven hundred and ninety-one (1,791) applications for disbursement from houses that have completed the works. These applications are in the process of verification by nine (9) companies engaged by KEEF, and one thousand five hundred and forty-five (1,545) agreements have been signed. The total budget spent for this process has reached the value of €5,530,494.95. KEEF has initiated the process of handling the waiting list from the previous call, and two hundred and

									thirty-seven (237) houses have responded; twenty-five (25) of them have an energy audit report, while for two hundred and twelve (212) houses, KEEF has initiated tendering procedures for the preparation of energy audits.
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III.1.16	Implementation of Energy Efficiency (EE) measures in the residential sector - social multi-apartment buildings (MAB) - owned by municipalities.	2024	€ -	€ 5,000,00 0.00	€ 5,000,00 0.00	€ -	European Commission / IPA Funds	KEEF	Energy saving - 2 ktoe/year	Energy Strategy for the period 2022-2031	During 2023, KEEF published the Public Call. The Public Call for Applications for the Emergency Project for Energy Efficiency (EE) Measures of social Multi-Apartment Buildings (MABs), owned by municipalities, with the support of the European Union (EU), under the IPA program, Energy Support Package of the Government of the Republic of Kosovo (GRK). From this call, Project Initiation Agreements have been signed for twenty-nine (29) social Multi-Apartment Buildings (MABs) in thirteen (13) municipalities. During this period, for twenty-two (22) buildings, tendering for implementation contracts has been realized, while for six (6) social MABs, we are in the phase of completing the design from the consultancy contract (energy audit, design, and supervision) after the case was stalled in the Procurement Review Body (PRB). The total budget spent for this process has reached the value of €240,763.80.
III.1.17	Implementation of Energy Efficiency (EE) measures in the residential sector and MSMEs.	2025	€ -	€ -	€ -	##### ###	Donors (WBIF)	KEEF	Energy saving 0.14 ktoe	Energy Strategy for the period 2022-2031	Not started yet.
III.1.18	Implementation of Energy Efficiency (EE) measures in the	2022/2023	€ 5,000,00 0.00	€ 10,000,00 00.00	€ -	€ -	Kosovo Budget (KB), Donors	ME	Subsidy schemes for efficient heating equipment, efficient household	Energy Strategy for the period 2022-2031	No progress

	residential sector;							appliances & solar systems		
III.1. 19	Implementation of Energy Efficiency (EE) measures in the residential sector (Micro, Small and Medium-Sized Enterprises - MSMEs).	2023	€ -	€ 5,000,00 0.00	€ -	€ -	European Commission / IPA Funds	ME	Subsidy schemes for efficient heating equipment, efficient work appliances & solar systems	Energy Strategy for the period 2022-2031
III.1. 20	Installation of solar PV systems in regional water companies (RWCs)	2024	€ -	€ 100000.0 0	€ 14,900,0 00.00	€ -	KfW	ME	Diversification of energy sources in RWCs, about twenty-six percent (26%) of energy consumption will be covered by RES	Energy Strategy for the period 2022-2031  Review of the project's terms of reference by the Ministry of Economy (ME) and KfW.

III.1.21	Development of the ESCO market	2024 /2025	€ -	€ -	€ <b>10,000.00</b>	##### ###	Donors	ME	Three types of sample contracts have been developed for ESCO and a methodology for defining ESCO	Administrative Instruction (AI) on Energy Service Providers	No progress
<b>III.2 Specific Objective: Promoting efficient co-generation and efficient District Heating (DH) systems</b>											
	Indicator	Baseline value		Short-term objective 2025		Last year's objective 2031					
1	Increasing of co-generation capacity in “Termokos” (Prishtina)	140 MWth		140 MWth		280 MWth					
2	The number of consumers connected to District Heating systems (Prishtina & Gjakova)	17,791		24,560		38,240 in Prishtina and Gjakova. For other municipalities , it will be decided based on the feasibility study.					
No.	Action	Deadline	Budget				Funding source	Leading and supporting institution	Product	References to documents	Implementation progress January-June 2024
			Year 2022	Year 2023	Year 2024	Year 2025					

III.2.1	Expansion and rehabilitation of the District Heating (DH) network of Prishtina;	Yearly	€ 9,200,000.00	€ 6,676,063.00	€ <b>2,835,663.00</b>	# ######	KfW/Termokos	Termokos	District Heating (DH) network expanded and rehabilitated	Energy Strategy 2022-2031 Termokos Development Plan 2022-2031	<p>The works for the implementation of the project according to Contract T1 (Substations) have been fully completed, and the following have been installed:</p> <ul style="list-style-type: none"> <li>• Three hundred and twenty-five (325) new substations in the expansion and densification part;</li> <li>• Two hundred and twenty-five (225) rehabilitated/replaced substations;</li> <li>• Thirty-one (31) automated substations.</li> <li>• Construction of two heat reservoirs with a capacity of 800 m<sup>3</sup> (2 × 400 m<sup>3</sup>), integration of this system into SCADA, and rehabilitation of the pressure maintenance system in the distribution network.</li> </ul> <p>In the six (6) month period of January–June 2024, the following works have been completed:</p> <ul style="list-style-type: none"> <li>• Twelve (12) new substations have been installed;</li> <li>• The contractor has worked on the final commissioning of substations, thermal insulation works, and completion of the SCADA system.</li> <li>• In the part of the project referring to heat reservoirs, the following works have been carried out: <ol style="list-style-type: none"> <li>1. Thermal insulation of pipes inside and outside the heating plant building for this system;</li> <li>2. Works have been carried out for the functionalization of the pressure maintenance system, including the installation of two regulating valves;</li> <li>3. Works have been carried out for the functionalization of the dosing system; work is ongoing;</li> <li>4. Works have been carried out for the installation and functionalization of the SCADA system;</li> <li>5. Performance test of the circulation</li> </ol> </li> </ul>
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							system (three new pumps); 6. Performance test for the third pump of the cogeneration system; 7. Final works for insulation of pipes and equipment that are part of this system.
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III.2.2	Feasibility study for increasing the thermal capacity at the Kosova B Cogeneration from 140 MWth to 280 MWth.	2023	€ -	€ 1,500,000.00	€ -	€ -	IPA 2020 / Municipality of Prishtina / Termokos	Termokos / KEK	Feasibility study finalized	Energy Strategy 2022-2031, Termokos Development Plan 2022 - 2031;	<p>In June 2022, a cooperation agreement was signed between the European Investment Bank (EIB), the Ministry of Finance of the Republic of Kosovo, and Termokos, for a fund worth €1.5 million for financing preliminary studies for this project. Currently, preparation is in process by the international consultancy company, the consortium TETRA-TECH. The activities carried out and in progress related to this project in the six (6) month period January–June 2024 are as follows:</p> <ul style="list-style-type: none"> <li>• The decarbonization project was approved by the company's Board in January 2024;</li> <li>• Consultations with the consultancy company continue. The cooperation consists of providing technical data and presenting requirements by Termokos;</li> <li>• The consultancy company has presented the initial design for the installation of pipes in the turbine hall TUH, HES1 &amp; HES2, as well as the network HES-2 HRS-2;</li> <li>• Work is being done on updating the new Master Plan for network expansion within this project;</li> <li>• The company has presented the new zoning (areas where the network should be expanded);</li> <li>• The economic and financial evaluation of the project is being prepared;</li> <li>• The Environmental Impact Assessment (EIA) Report has been completed and sent to the EIB for approval;</li> <li>• The proposed route for the "Kosova B" Thermal Power Plant – Termokos network and the route for network expansion have been presented;</li> <li>• The location for HRS-2 has been defined. The existing Termokos</li> </ul>
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							<p>building will be designated for this purpose;</p> <ul style="list-style-type: none"><li>• Work is being done on documentation for various permits: identification of parcels along the route, expropriation documentation, environmental consent, etc.;</li><li>• The basic hydraulic calculation of the cogeneration transmission network has been presented, including the connection for the Municipality of Obiliq and the Solar Plant.</li></ul> <p>Clarification: From the generating capacity of 140 MWth, which will be realized with the project for doubling the production capacities of thermal energy, 40 MWth of thermal energy will be allocated to the Municipality of Obiliq, while 100 MWth of thermal energy will remain for the Public Enterprise "Termokos" JSC.</p>
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III.2.3	Doubling the production capacity of cogeneration from 140 MWth to 280 MWth and expanding the transmission network.	2025	€ -	€ -	€ <b>12,000,000.00</b>	##### ###	Donors/Municipality of Prishtina/Termokos	Termokos / KEK	Thermal generation capacities doubled. It is expected to meet the budget up to the value of 80,000,000 from donors and international financial institutions. The project is expected to be completed and 2027.	Energy Strategy 2022-2031, Termokos Development Plan 2022-2031	The implementation of the project has not commenced.
III.2.4	Installation of metering devices for Termokos' consumers	2023	€ 6,000,000.00	€ 4,000,000.00	€ -	€ -	MFK	MFK / Termokos	Heating costs and consumption controlled for up to 17,500 customers of Termokos	Energy Strategy 2022-2031, Termokos Development Plan 2022-2031	The contract for this project was signed in April 2022, between Millennium Foundation - Kosova and the contractor ENERCO LLC – Prishtina, and began implementation on 27 July 2022. The project is still ongoing. During the period January–June 2024, the following have been implemented: Completed facilities: one thousand and sixty-eight (1,068); Thermostatic valves: two hundred and fourteen (214); Allocators: nine thousand two hundred and fifty-five (9,255); Thermal energy meters: seven

									hundred and twelve (712); Circulation pumps: sixty-two (62).
III.2. 5	Improvement of the performance of the District Heating in Gjakova.	2023	€ 2,361,00 0.00	€ 823,000. 00	€ -	€ -	Swiss State Secretariat for Economic Affairs (SECO), Municipality of Gjakova	District Heating (DH) Gjakova	Improving the performance of DH Gjakova, improving the heating network of the regional hospital; connecting additional public facilities  District Heating (DH) Development plan for the period 2022-2023  No activities planned for 2024.

**MONITORING OF THE IMPLEMENTATION OF ESIP 2022-2025: STRATEGIC OBJECTIVE 4**

**SO4: STRENGTHENING REGIONAL COOPERATION AND MARKET FUNCTIONING**

No.	Strategic and specific objectives, indicators and actions	Baseline value	Interim objective 2025	Last year's objective 2031	Result					
<b>IV.</b>	<b>STRATEGIC OBJECTIVE 4: STRENGTHENING REGIONAL COOPERATION AND MARKET FUNCTIONING</b>									
1	Market integration into pan-European electricity markets	Non in place.	Market integration with Albania 2023.	Membership in the pan-European market area						
<b>IV.1</b>	<b>Specific Objective: Strengthening regional cooperation</b>									
	Indicator	Baseline value	Short-term objective 2025	Last year's objective 2031						
1	Offered cross-border capacity /Nominal cross-border capacity	Export: 22-24%, Import: 24-26%	Each direction minimum 28-30%	Each direction 70%.						
No.	Action	Deadline	Budget			Funding source	Leading and supporting institution	Product	References to documents	Implementation progress January-June 2024
			Year 2022	Year 2023	Year 2024					

IV.1. 1	Coupling with the day-ahead market with Albania through the ALPEX power exchange.	2023	€ -	€ -	€ -	ALPEX	Integration of wholesale electricity markets	ALPEX Rules	On 31 January 2024, “ALPEX” Sh.A. commenced operations in the Kosovo trading zone; additionally, on the same day, the Kosovo-Albania market coupling began.
IV.1. 2	Coupling with the intraday market with Albania through the ALPEX power exchange.	2024	€ -	€ 1,400,000.00	€ 1,350,000.00	ALPEX	ALPEX, KOSTT, ERO, ME	ALPEX Rules	ALPEX Rules, Trading and Settlement Procedures, Technical Decisions, and respective Tariffs have been established and approved by ERO. It is planned that during Q3 or Q4 2024, the intraday market will also be operational.
IV.1. 3	Feasibility study on regional/European market coupling (SDAC, SIDC)	2024	€ -	€ -	€ 250,000.00	Donor, Kosovo Budget	KOSTT, ERO, ME	Energy Strategy for the period 2022-2031	In Athens, in November 2023, a memorandum for market coupling was signed by the exchanges, TSOs, and regulators of Kosovo, Albania, North Macedonia, and Greece.

<b>IV.2</b>	<b>Specific Objective: Removal of barriers for the effective functioning of the market</b>										
	<b>Indicator</b>	<b>Baseline value</b>		<b>Short-term objective 2025</b>		<b>Last year's objective 2031</b>					
1	BSA withdrawal status	BSA available		Removal of BSA begins		BSA not available					
2	Number of bids available to non-household customers	1		6		> 6					
No.	Action	Deadline	<b>Budget</b>				<b>Funding source</b>	<b>Leading and supporting institution</b>	<b>Product</b>	<b>References to documents</b>	<b>Implementation in progress January-June 2024</b>
			Year 2022	Year 2023	Year 2024	Year 2025					
IV.2.1	Drafting and adoption of Law on Energy	2023	€ -	€ 13,500.00	€ -	€ -	Kosovo Budget (KB)	ME, ERO, KOSTT, KEK	Law adopted and aligned with EU directives	Energy Strategy 2022 - 2031	The Draft Law on Energy has passed preliminary and public discussions and has been sent for comments to the ECS. Comments received from all discussions, including those from the ECS,

										have been addressed by the consultancy (Tetra Tech). The draft is currently being reviewed within the Ministry of Economy (ME).
IV.2.2	Drafting and adopting bylaws based on the Law on Energy	2024	€ -	€ -	€ <b>30,800.00</b>	€ -	Kosovo Budget (KB)	ME, ERO, KOSTT	Secondary legislation adopted	Energy Strategy for the period 2022-2031
IV.2.3	Drafting and adopting the Law on Electricity	2023	€ -	€ 10,800.00	€ -	€ -	Kosovo Budget (KB)	ME, ERO, KOSTT	Law adopted and aligned with EU directives	Energy Strategy for the period 2022-2031

IV.2.4	Drafting and adopting bylaws based on the Law on Electricity	2024	€ -	€ -	€ <b>30,800.00</b>	€ -	Kosovo Budget (KB)	ME, ERO, KOSTT, KEK	Secondary legislation adopted	Energy Strategy for the period 2022-2031	After the approval of the Law on Electricity, the drafting and approval of secondary legislation deriving from the law will continue.
IV.2.5	Drafting and adopting the Law on Energy Regulator	2023	€ -	€ 13,500.00	€ -	€ -	Kosovo Budget (KB)	ME, ERO	Law adopted and aligned with EU directives	Energy Strategy for the period 2022-2031	The draft of the Law on the Energy Regulator has been prepared by the inter-institutional Working Group (WG) with the support of the consultant and is pending to be forwarded for preliminary discussion.
IV.2.6	Drafting and adopting bylaws based on the Law on Energy Regulator	2024	€ -	€ -	€ <b>30,800.00</b>	€ -	Kosovo Budget (KB)	ME, ERO	Secondary legislation adopted	Energy Strategy for the period 2022-2031	After the approval of the Law on the Energy Regulator, the drafting and approval of secondary legislation deriving from the law will continue.

IV.2. 7	Initiation of studies on the barriers of the competitive electricity market and on the most appropriate method of phasing out the BSA	2025	€ -	€ -	€ -	€ 50,000.00	Kosovo Budget, donors	ME, ERO	Increased competition in the market	Energy Strategy for the period 2022-2031	Not started yet.
<b>IV.3 Specific objective: Training in energy-related fields and women's inclusion</b>											
	Indicator	Baseline value		Short-term objective 2025		Last year's objective 2031					
1	Number of new graduates per year receiving an academic degree, or professional qualification in new programs in the field of energy, and related fields	N/A		To be assigned		To be assigned					
2	percentage of women employed in the energy sector.	9% [2021]		11%		25%					
No.	Action	Deadline	Budget				Funding source	Leading and supporting institution	Product	References to documents	Implementation in progress January-June 2024
			Year 2022	Year 2023	Year 2024	Year 2025					

IV.3.1	Development of new technical training programs.	2024 - 2025	€ -	€ -	€ <b>350,000.00</b>	€ 350,000.00	Donors	MCAK	Skilled workforce for the future of Renewable Energy Sources (RES).	Energy Strategy for the period 2022-2031	This project will start to be implemented in 2025.
IV.3.2	Preparing gender inclusive infrastructure and policy planning.	2024 - 2025	€ -	€ -	€ <b>300,000.00</b>	€ 300,000.00	Donors	MCAK	twenty-five percent (25%) women in the energy sector workforce by 2031	Energy Strategy for the period 2022-2031	This project will start to be implemented in 2025.
IV.3.3	Drafting of new professional standards and curricula, according to the requirements of the labor market.	2024	€ -	€ -	€ <b>10,000.00</b>	€ -	Kosovo Budget (KB)	MESTI	Professional standards and new curricula prepared.		No progress

**MONITORING OF THE IMPLEMENTATION OF ESIP 2022-2025: STRATEGIC OBJECTIVE 5**

**SO5: PROTECTING AND EMPOWERING CONSUMERS**

No.	Strategic and specific objectives , indicators and actions	Baseline value	Interim objective 2025	Last year's objective 2031	Result
V.	<b>STRATEGIC OBJECTIVE 5: PROTECTING AND EMPOWERING CONSUMERS</b>				
1	The number of new schemes dedicated to vulnerable consumers	N/A	2	4	.
2	Number of programs supporting energy efficiency and self-consumption community projects	1	> 2	> 5	
V.1	<b>Specific Objective: Protecting vulnerable consumers</b>				
	Indicator	Baseline value	Short-term objective 2025	Last year's objective 2031	

1	Price support scheme for vulnerable consumers	Existing support scheme (not properly targeted) [2021]		Establishing new program for the vulnerable consumers.	Poverty-tested scheme related to the reform ed social assistance scheme						
		<b>Budget</b>									
No.	Action	Deadline	Year 2022	Year 2023	Year 2024	Year 2025	Funding source	Leading and supporting institution	Product	References to documents	Implementation progress January-June 2024
V.1.1	Supporting vulnerable consumers through existing support schemes Annual	Yearly	€ 4,500,000.00	€ 4,500,000.00	€ -	€ -	Kosovo Budget (KB)	Annual support schemes	Medium-Term Expenditure Framework 2023-2025	This scheme has been replaced with the Pilot Program for Vulnerable Consumers explained in V.1.4	
V.1.2	Creation of a new support scheme for vulnerable consumers	Yearly	€ -	€ -	€ 10,000,00.00	€ 10,000,00.00	Kosovo Budget (KB)	Annual support schemes	Medium-Term Expenditure Framework 2023-2025	There will not be a new "scheme," but there will be a multi-year Program, which has already been described in V.1.3.	
V.1.3	Designing a five-year program for the protection of vulnerable consumers	2023/2024	€ -	€ 10,000.00	€ -	€ -	Donors	Drafting and adoption of the program for vulnerable	Energy Strategy for the period 2022-2031	The Draft Program for Consumer Protection is being prepared (the implementation period and duration are determined by the management of the MFLT).	

							consumers		
V.1 .4	Drafting and adoption of a one (1) year program for the implementation of measures to support vulnerable consumers	2023	€ -	€ 10,000.00	€ -	€ -	EU-Funds, IPA	One (1) year program drafted and adopted	Minister's decision on the establishment of the Working Group (WG).  The program for the period 2023–2024 began implementation in January 2024. From this program, 61,069 families have benefited. The subsidy has been disbursed in six tranches during the period January–July 2024 in the form of direct payment of a portion of the bill.
V.1 .5	Support through subsidizing part of the bill for beneficiaries of social and pension schemes as well as households who are selected through a formal tested scheme	2023	€ -	€ 20,000,000.00	€ -	€ -	EU-Funds, IPA	Number of vulnerable families supported through direct subsidy (200,000 beneficiaries)	Measure 1: Action Plan - Mitigating the immediate socio-economic impact of the energy crisis  Included within Action 1.4.

V.1 .6	Support through subsidizing alternative methods (wood and pellets) for heating purposes for vulnerable groups	2023	€ -	€ 5,000,00 0.00	€ -	€ -	EU-Funds, IPA	Number of vulnerable families benefitting from support (10,000 families)	Measure 1: Action Plan - Mitigating the immediate socio-economic impact of the energy crisis.	It was finalized in 2023; around 20,000 families on social assistance benefited from the subsidy.
V.1 .7	Supporting households by subsidizing the current month's electricity bill based on the percentage of energy savings they have made compared to the same month of the previous year	2023	€ -	€ 15,000,0 00.00	€ -	€ -	EU-Funds, IPA	Number of households supported through energy-saving	Measure 1: Action Plan - Mitigating the immediate socio-economic impact of the energy crisis.	It was active between October 2022 and April 2023, during which approximately 300,000 families benefited.
V.2	<b>Specific Objective: Empowering consumers</b>									
	Indicator	Baseline value		Short-term objective 2025		Last year's objective 2031				

1	Implementation of energy awareness-raising and information campaigns	6 [2021]	9 per year	9 per year						
2	Diversity and comparability of services provided to consumers	There are no offers available	Launching the Price Comparison Tool.	Alternative offers available to all customers						
No.	Action	Deadline	Budget			Funding source	Leading and supporting institution	Product	References to documents	Implementation progress January-June 2024
			Year 2022	Year 2023	Year 2024					
V.2.1	Drafting legislation on the Price Comparison Tool, with detailed guidelines on the information to be provided in the Tool	2023	€ -	€ 20,000.00	€ -	€ -	Donors	ERO	The legal framework enables the development of the Price Comparison Tool	Energy Strategy for the period 2022-2031  No progress
V.2.2	Development of Price Comparison Tool	2023	€ -	€ 7,000.00	€ -	€ -	ERO	ERO	Fully operational Price Comparison Tool	Energy Strategy for the period  No progress

									2022-2031						
V.3	<b>Specific Objective: Preserving human health and environment</b>														
	<b>Indicator</b>	<b>Baseline value</b>		<b>Short-term objective 2025</b>	<b>Last year's objective 2031</b>										
1	Dust, NOx and SO <sub>2</sub> emissions of lignite power plants	<b>TPP “Kosova B”:</b> Dust: over 300 mg/ Nm <sup>3</sup> , NOx: over 500 mg/ Nm <sup>3</sup> SO <sub>2</sub> : over 600 mg/ Nm <sup>3</sup> <b>TPP “Kosova A”:</b> Dust: over 50 mg/ Nm <sup>3</sup> , NOx: over 600 mg/ Nm <sup>3</sup> SO <sub>2</sub> : over 600 mg/ Nm <sup>3</sup>		<b>TPP “Kosova B2”:</b> Dust: 20 mg/ Nm <sup>3</sup> , NOx: 200 mg/ Nm <sup>3</sup> , SO <sub>2</sub> : 600 mg/ Nm <sup>3</sup> <b>TPP “Kosova B1”:</b> Dust: over 300 mg/ Nm <sup>3</sup> , NOx: over 500 mg/ Nm <sup>3</sup> , SO <sub>2</sub> : over 600 mg/ Nm <sup>3</sup> <b>TPP “Kosova A3”:</b> Dust: 20 mg/ Nm <sup>3</sup> , NOx: over 200 mg/ Nm <sup>3</sup> , SO <sub>2</sub> : over 200 mg/ Nm <sup>3</sup> <b>TPP “Kosova A4 &amp; A5”:</b> Dust: over 50 mg/Nm <sup>3</sup> , NOx: over 600 mg/Nm <sup>3</sup> , SO <sub>2</sub> : over 600 mg/Nm <sup>3</sup>	<b>TPP “Kosova B”:</b> Dust: 20 mg/ Nm <sup>3</sup> NOx: 200 mg/ Nm <sup>3</sup> SO <sub>2</sub> : 200 mg/ Nm <sup>3</sup> <b>TPP “Kosova A”:</b> Dust: 20 mg/ Nm <sup>3</sup> NOx: 200 mg/ Nm <sup>3</sup> SO <sub>2</sub> : 200 mg/ Nm <sup>3</sup>										
No.	Action	Deadline	<b>Budget</b> <table border="1"> <tr> <th>Year 2022</th><th>Year 2023</th><th>Year 2024</th><th>Year 2025</th></tr> </table>				Year 2022	Year 2023	Year 2024	Year 2025	Funding source	Leading and supporting institution	Product	References to documents	Implementation progress January-June 2024
Year 2022	Year 2023	Year 2024	Year 2025												

V.3 .1	Increasing the KEPA capacities for monitoring, evaluating and reporting emissions from large combustion plants	2025	-	€ 9,000.00	€ <b>9,000.00</b>	€ 9,000.00	Kosovo Budget (KB)	MESPI, Kosovo Environmental Protection Agency (KEPA)	Increasing the KEPA staff capacities for monitoring, evaluating and reporting emissions from large combustion plants  Administrative Instruction on the Rules and Standards of the Discharges on Air and Stationary Sources of Pollution

During the period January-June 2024,, as part of the “Capacity Development Project for Air Pollution Control in Kosovo” supported by JICA, five (5) KEPA officers were trained for monitoring, assessing, verifying and reporting emissions from large combustion plants. The emission data from large combustion plants have been reported to the European Environment Agency under the obligations of the Energy Community - Reporting on Combustion Plants. (<https://cdr.eionet.europa.eu/xk/eu/energycommunity/envzcosca/>).

## End of document