Public Disclosure Authorized

Kosovo Energy Efficiency and Renewable Energy Project (P143055)

EUROPE AND CENTRAL ASIA | Kosovo | Energy & Extractives Global Practice |
IBRD/IDA | Investment Project Financing | FY 2014 | Seq No: 9 | ARCHIVED on 09-Nov-2018 | ISR34316 |

Implementing Agencies: Republic of Kosovo, Kosovo Energy Efficiency Agency

Key Dates

Key Project Dates

Bank Approval Date: 18-Jun-2014
Effectiveness Date: 05-Jun-2015
Planned Mid Term Review Date: 30-Mar-2018
Actual Mid-Term Review Date: 20-Apr-2018
Original Closing Date: 31-Aug-2020
Revised Closing Date: 31-Aug-2020

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The project development objectives are to: (i) reduce energy consumption and fossil fuel use in public buildings through energy efficiency and renewable energy investments; and (ii) enhance the policy and regulatory environment for renewable energy and energy efficiency.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

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Components

Name
Energy efficiency and renewable energy investments in public buildings:(Cost $29.56 M)
Policy and regulatory support for renewable energy and energy efficiency:(Cost $2.30 M)
Project implementation support:(Cost $0.64 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	Moderately Satisfactory	Moderately Satisfactory
Overall Implementation Progress (IP)	Moderately Satisfactory	Moderately Satisfactory
Overall Risk Rating	Substantial	Substantial

Implementation Status and Key Decisions

The Project has made progress with disbursements reaching US$7 million, however, implementation needs to accelerate to ensure that all funds for the renovation of central government building (Component 1) and technical assistance (Component 2) are committed by the April of 2019. This would allow for a smooth transition from the current Project Implementation Unit (PIU) within Ministry of Economic Development (MED) to the KEEF that would focus on municipal buildings. Currently, renovation works in 45 buildings under two procurement packages are ongoing (Packages 3 and 4) and design and bidding documents for another 30 buildings (Package 5) will be tendered for renovation in 2019. Renovation works of buildings under Package 3 are expected to be completed by mid-November, while renovation works in Package 4 are progressing according to the schedule. For Package 5, design and supervision contracts have been signed and the buildings contract should be singed during the first semester 2019. With respect to the proposed KEEF, the Bank is awaiting parliamentary approval of the Energy Efficiency (EE) Law, now expected in November 2018.

Before the Bank is able to appraise KEEF: (i) the EE Law must be adopted, and the internal regulations related to KEEF approved; (ii) KEEF must be formally established and fully staffed; and (iii) preparatory documents, such as the revised Environmental and Social Management Framework and Project Procurement Strategy for Development, must be developed.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	Substantial	Substantial
Macroeconomic	--	Substantial	Substantial
Sector Strategies and Policies	--	Moderate	Moderate
Technical Design of Project or Program	--	Substantial	Substantial
Institutional Capacity for Implementation and Sustainability	--	Substantial	Substantial
Fiduciary	--	Substantial	Substantial
Environment and Social	--	Moderate	Moderate
Stakeholders	--	Low	Low
Other	--	--	--
Overall	--	Substantial	Substantial

Results

PDO Indicators by Objectives / Outcomes

Reduce energy consumption and fossil fuel use in public buildings

▸Projected lifetime energy savings (Megawatt hour(MWh), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	34,147.00	102.00	900.00
Date	01-Jul-2014	03-Nov-2017	12-Oct-2018	01-Jun-2028
Comments:	This indicator projects lifetime energy savings directly attributable to the project, converted to MWh. The baseline value is expected to be zero.			

▸Reduced fossil fuel use for heating in public buildings (toe) (Metric ton, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	320.00	2,500.00

Date	01-Jul-2014	03-Nov-2017	12-Oct-2018	31-Aug-2020
Comments:	This indicator measures the absolute reduction in fossil fuels (e.g., heavy fuel oil, light fuel oil, diesel, lignite, mazut) used for heating in public buildings from EE and RE measures implemented under the project (in metric tons of oil equivalent or toe)			

Enhance the policy and regulatory environment for renewable energy and energy efficiency

▸Capacity of approved RE regulatory licenses (Megawatt, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	35.80	35.80	145.20	250.00
Date	01-May-2014	03-Nov-2017	12-Oct-2018	31-Aug-2020
Comments:	The total capacity (in MW) of power generation project licenses with a final approved by ERO generated by RE resources (e.g., smallhydro, wind, solar, biomass).			

Intermediate Results Indicators by Components

Energy efficiency and renewable energy investments in public buildings

▸CO2 emission reductions in retrofitted public facilities (Metric ton, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	3,684.00	3,684.00	30,000.00
Date	01-Jul-2014	20-Apr-2018	12-Oct-2018	31-Aug-2020
Comments:	The total lifetime avoided CO2 emissions equivalent from EE and RE investments made under the project, using the grid emissions factor in Kosovo for electricity and carbon content for other fuels saved (e.g., Mazut, heavy fuel oil, lignite).			

▸Amount of installed energy capacity for RE systems for heating under project (Megawatt, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.80	0.80	7.50
Date	01-Jul-2014	20-Apr-2018	12-Oct-2018	31-Aug-2020
Comments:	The total installed capacity (in MW) of energy generation potential by RE systems (e.g., solar water heaters, biomass heaters, geothermal heat pumps etc.) installed under the project.			

▸Annual energy costs savings (million) (Amount(USD), Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.51	0.50	4.50
Date	01-Jul-2014	20-Apr-2018	12-Oct-2018	31-Aug-2020
Comments:	This indicator projects lifetime energy cost savings (in USD) resulting from EE investments made under the project.			

▸Direct project beneficiaries (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4,522.00	4,522.00	30,000.00
Date	01-Jul-2014	20-Apr-2018	12-Oct-2018	31-Aug-2020
Comments:	Direct beneficiaries are people or groups who directly derive benefits from an intervention (i.e., children who benefit from an immunization program; families that have a new piped water connection). Please note that this indicator requires supplemental information. Supplemental Value: Female beneficiaries (percentage). Based on the assessment and definition of direct project beneficiaries, specify what proportion of the direct project beneficiaries are female. This indicator is calculated as a percentage.			

◢Female beneficiaries (Percentage, Custom Supplement)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	45.00	45.00	45.00

▸Number of subprojects commissioned in public facilities (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	5.00	14.00	140.00
Date	01-Jul-2014	03-Nov-2017	12-Oct-2018	31-Aug-2020
Comments:	This indicator will measure the actual number of buildings renovated and commissioned under the project.			

Policy and regulatory support for renewable energy and energy efficiency

▸Enhanced policy/ regulatory mechanisms developed/adopted to scale-up RE (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	The project has completed: (i) a barrier analysis for RE; (ii) an update to the biomass/biogas FiT; and (iii) an RE grid integration study which has informed MED's energy strategy and RE targets.	Upgraded regulations proposed	New regulations adopted
Date	01-Jul-2014	20-Apr-2018	12-Oct-2018	31-Aug-2020
Comments:	Composite country score based on RISE assessment based on the following attributes: (i) appropriate subsidy level and period of support, (ii) sustainability of incremental cost recovery mechanism, (iii) certainty (i.e.; policy design includes elements that allow predictability in price changes or adjustments), and (iv) prioritized access to the grid.			

▸Development of suitable EE financing mechanism for the municipal sector (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	200.00	New financing mechanism selected	New financing mechanism operationalized

Date	01-Jul-2014	20-Apr-2018	12-Oct-2018	31-Aug-2020
Comments:	Development of suitable, sustainable financing mechanism for EE investments in the municipal sector (e.g., municipal-owned public buildings, street lighting)			

▸Number of people trained (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	78.00	78.00	300.00
Date	01-Jul-2014	20-Apr-2018	12-Oct-2018	31-Aug-2020
Comments:	Number of people trained in energy auditing, design, construction including PIU staff.			

Data on Financial Performance

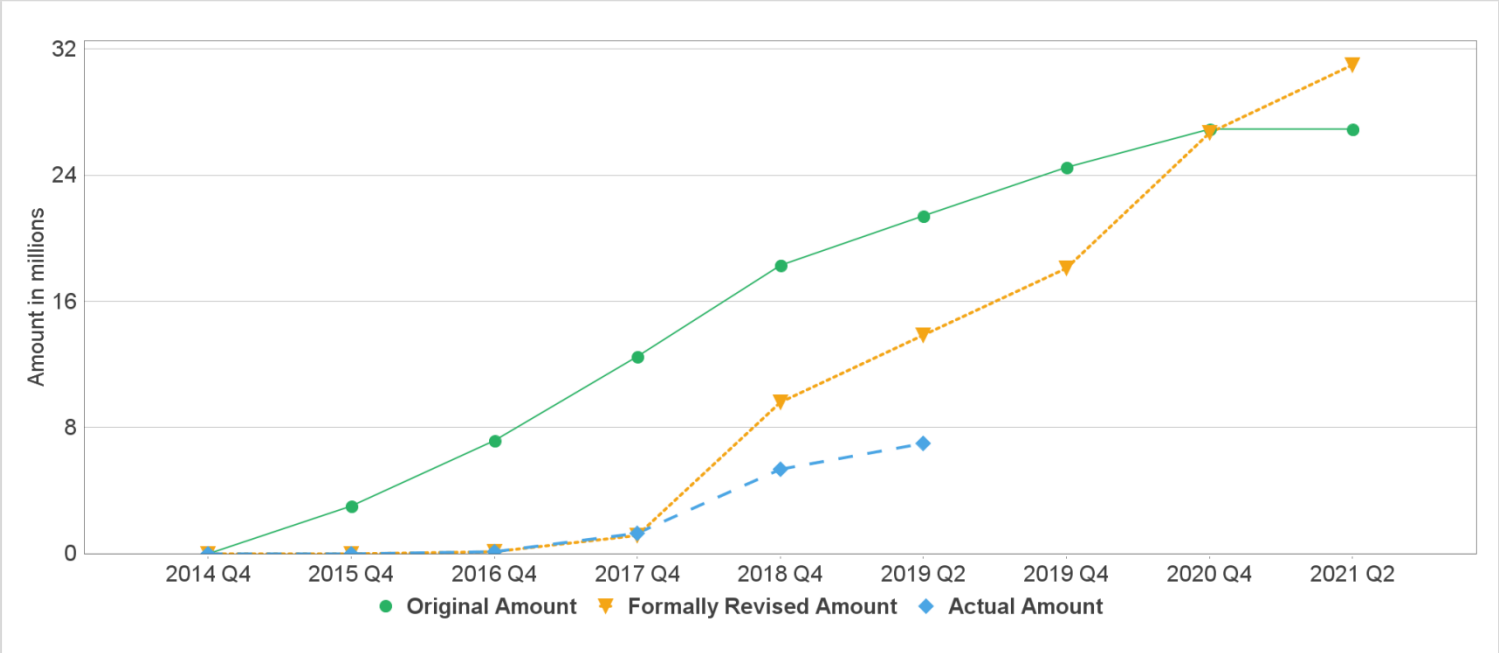
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P143055	IDA-55080	Effective	USD	31.00	31.00	0.00	7.00	20.97	25%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P143055	IDA-55080	Effective	18-Jun-2014	15-Jan-2015	05-Jun-2015	31-Aug-2020	31-Aug-2020

Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

P167572-Kosovo Energy Efficiency and Renewable Energy Additional Financing