

IV International Forum: Energy for Sustainable Development

Workshop 3: Case Studies on Policy Reforms to Promote Financing Energy Efficiency Investments and Advanced Energy Efficiency Technologies

Panel Discussion 1: *Case studies on energy efficiency financing*

Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina

Tbilisi, 17-19 September 2013

General information about BiH

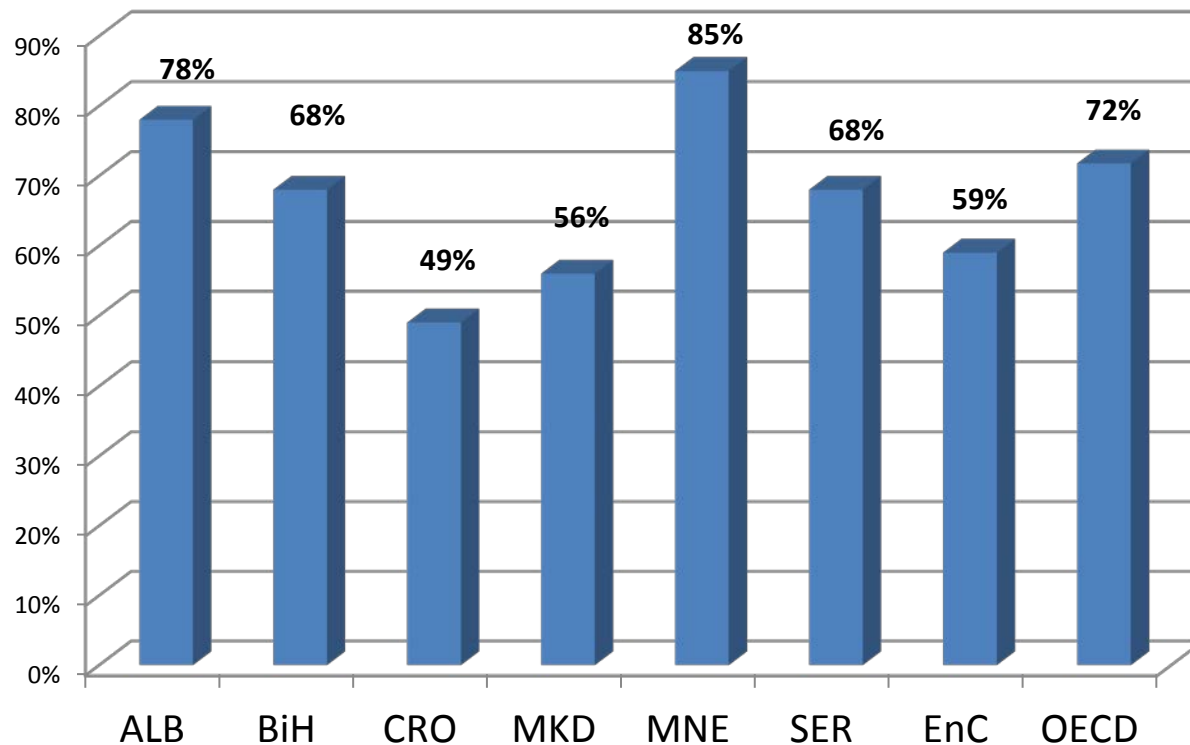
- ▶ Official name: Bosnia and Herzegovina (BiH)
- ▶ Administratively divided in two entities, Republika Srpska and Federation of Bosnia and Herzegovina and District Brcko
- ▶ Situated at Western part of Balkan Peninsula at total space of 51.209 km²:
 - Land 51.197 km²
 - Sea 12,2 km²
- ▶ Population 3.840 million
- ▶ Capital Sarajevo
- ▶ GDP 170,010 billion US\$ (2012)*
- ▶ GDP p/c 4,430 US\$ (2012)*



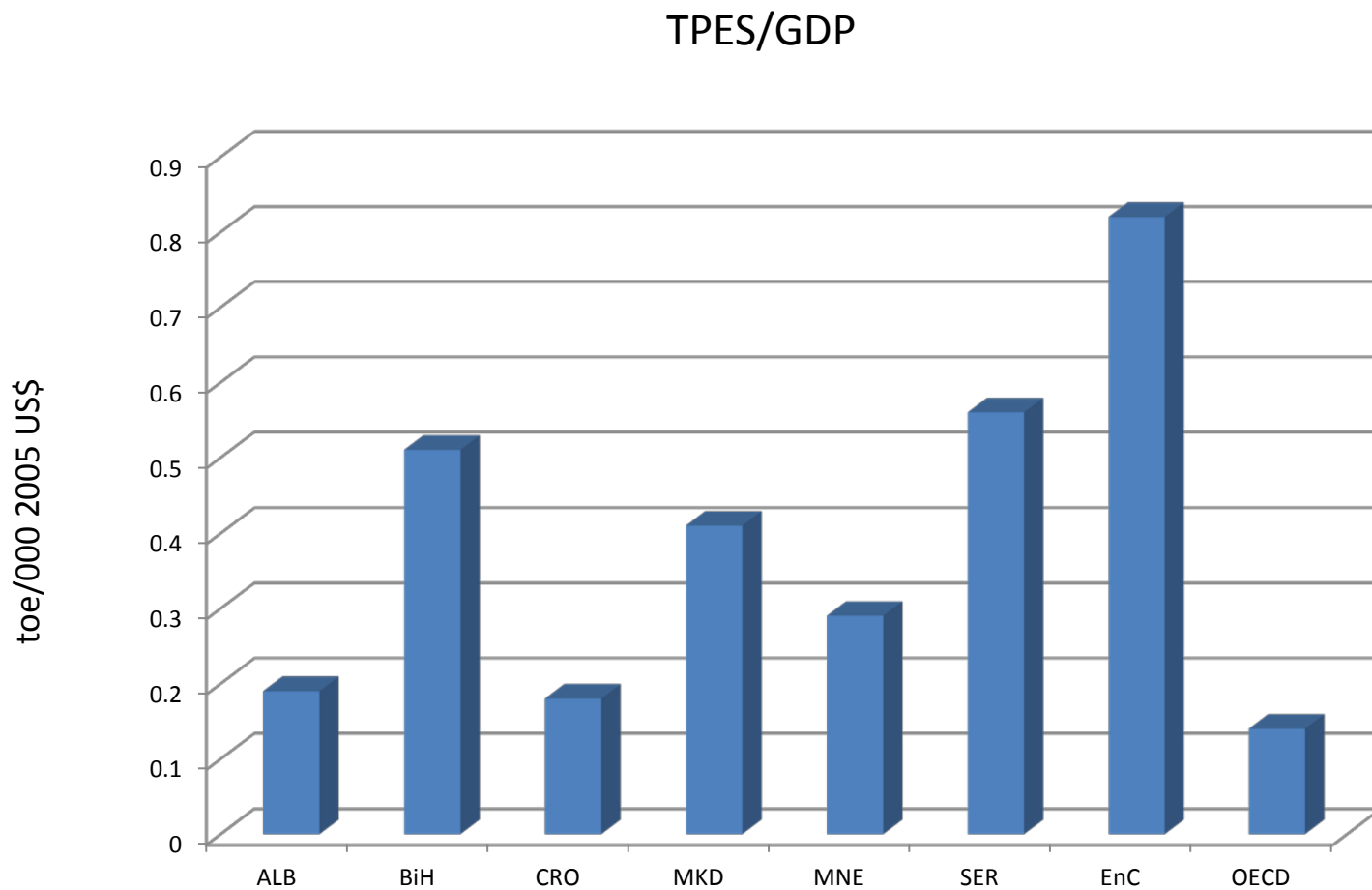
Basic energy indicators in BiH*

- ▶ BiH is to a large extent self sufficient from an energy point of view which significantly affects the economic stability of countries – domestic coal makes more than 60% of total primary energy supply (TPES). TPES was 6.40 Mtoe
- ▶ On the other hand, the BH is dependent on imported natural gas and crude oil
- ▶ BiH exports some forms of energy. It is the only country in the region with surplus of electricity. BiH has very good interconnections with neighboring countries.
- ▶ TPES/GDP 0.51 toe/000 2005 USD – 2 times more from world average and even 3.6 times more than OECD Countries
- ▶ Electricity Consumption/Population 3110 kWh/capita – 2.5 times lower than in OECD countries

Energy self sufficiency of BiH and region *



Energy intensity of BiH and region *



*IEA data, 2010

Main players in EE policy field in BiH (1)

State level

- ▶ Ministry of Foreign Trade and Economic Relations of BiH (MoFTER)
 - In cooperation with relevant entity ministries working on development of energy efficiency at the state level
 - Working on implementation of commitments undertaken by signing various international treaties (Energy Community Treaty, Energy Charter Treaty,...):
 - transposition and implementation of EU directives on EE
 - preparation of National Energy Efficiency Action Plan (NEEAP),
 - Preparation of Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA)
 - Working implementation and/or coordination of implementation of various energy efficiency project in BiH
 - Organizing and/or participating at public awareness campaigns, seminars, workshops with the aim of promoting energy efficiency development

Main players in EE policy field in BiH (2)

Entity level

- ▶ Ministry of Industry, Energy and Mining of the Republic of Srpska
- ▶ Federal Ministry of Energy, Mining and Industry
 - In cooperation with MoFTEP working on implementation of commitments undertaken by signing various international treaties , in implementation of EE projects
 - They are in charge for preparation and implementation of entity EE policies, laws and sublaws
 - In cooperation with other relevant ministries and funds they are regulating EE in final consumption, organizing work on improving EE, and defining ways of financing EE
 - In charge for preparation of Action Plans for EE every 3 years, in cooperation with other relevant ministries, that includes: assessment of EE in the period immediately prior to the adoption of the Action Plan, measures to improve EE, indicative targets for energy saving, time frame for the implementation of measures to achieve indicative targets and an assessment of the financial resources required for the implementation of the Action Plan

EE policy and laws in BiH

- ▶ National Energy efficiency Action Plan, prepared, in process of adoption
- ▶ The Republic of Srpska Law on Energy Efficiency (Official gazette no. 59/13)
- ▶ The Republic of Srpska Law on Spatial Planning and construction (Official gazette no. 40/13)
- ▶ The Law on Environmental Fund of Republic of Srpska (Official gazette no. 117/11)
- ▶ The Federation of BiH Law on Energy Efficiency, in process of adoption
- ▶ The Federation of BiH Law on Spatial Planning and Land Utilization (Official Gazette of FBiH, no. 45/10)
- ▶ The Law on Environmental Fund of FBiH (Official Gazette of FBiH, no. 33/03)
- ▶ Both EE laws and their sublaws that are also prepared and in process of adoption are done in accordance with the EU requirements and in accordance with the EU Directives

International donor aid vs. national policy reforms

- ▶ International donor aid is very important for BiH and in BiH policy reforms
- ▶ Both state and entity governmental institutions and ministries are involved in the implementation of significant number of EE projects that are financed with the assistance of international financial institutions
- ▶ Implementation of these project is the best way to share knowledge, transfer of technologies and raise awareness in the field of EE and sustainable energy and to further promote investment environment for financing of these projects in BiH
- ▶ Main goal of this projects are to provide assistance in building the capacity of institutions at the state and entity levels in the EE, to assist in preparation for the transposition and implementation of EU directives related to EE and in drafting of primary and secondary legislation in the field of EE, in implementation of demonstration and pilot EE projects and in promotion of investment environment in order to develop self-sustaining EE projects

Main changes since last year

- ▶ Main changes are related to the recent adoption of EE laws
- ▶ In Republic of Srpska EE law has been adopted and in FBiH EE law has been sent to the FBiH Parliament and it is expected to be adopted by the end of September 2013
- ▶ All needed secondary legislation has also been prepared and it is in process of adoption
- ▶ Above mentioned laws will define ways and instruments for further development of EE in BiH
- ▶ Entity Funds for energy efficiency become fully operative and they are ready for investments in EE project in BiH

Proposals for next steps

- ▶ During past period BiH make significant step forward when it comes to the EE development – entity EE laws and sublaws are prepared and most of them are adopted or will be by the end of 2013. Entity Funds for energy efficiency become fully operative and they are ready for investments in EE project in BiH
- ▶ Practical application of above mentioned laws and sublaws is expected and needed in the next period, and that will enable further development of EE and attract investments in EE
- ▶ As a next step preparation of EE Action plans at all levels in BiH that will define measures for improvement EE, indicative targets for energy saving and assessment of the financial resources required for the implementation of these measures is needed
- ▶ It is needed to use, as much as possible, all available funds for financing EE, both national and international (EC, UNECE,...)
- ▶ It is important to continue with education on EE and with organization of awareness raising campaigns at all level in BiH

Thank you for attention!

www.mvteo.gov.ba

Sanja Kapetina

sanja.kapetina@mvteo.gov.ba