Group of Experts on Renewable Energy

Hard Talks to enable Renewable Energy Investment in the Riparian Countries of the Drina River Basin

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Launch Workshops, Sarajevo, Bosnia and Herzegovina 25-26 June 2018
The UNECE Group of Experts on Renewable Energy (GERE)

The GERE started in 2014 as a subsidiary body to the Committee on Sustainable Energy and aims to:

- Help the understanding of RE status and tracking its progress in the UNECE region
- Facilitate the exchange of best practices
- Consider the role of renewable energy within the context of future energy systems and from a cross-sectoral and nexus angle
- Promote instruments for assessing the potential of renewable energy resources and supporting possible synergies between renewable energy and fossil fuels in the energy production
- Identify needs, key bottlenecks and opportunities for market conditions and possible investment promotion
Key outputs:

- Best Practices and Lessons Learned
- Prospective 2018-2019 Hard Talks: Bosnia-Herzegovina, Montenegro, Serbia
- Investment Matchmaking events in Baku (2016) and Astana (2017) at the 7th and 8th International Forum on Energy for Sustainable Development.
- New Matchmaking event at 9th IFESD in Kiev, 12-15 November 2018
The UNECE Renewable Energy Status Report 2017

- Detailed look at the status of renewable energy in 17 selected countries of the UNECE region

- Part of the initiatives of the UNECE Group of Experts on Renewable Energy (GERE) – building on existing process

- Utilization of the established REN21 global data collection process from formal and informal sources

- Objective to obtain a reliable data baseline for increased investment activity

- Strong Involvement of governments, international organizations (IEA, EBRD, European Commission, World Bank, UNDP, etc.) and civil society during data collection and review
Positive progress has been made

RE and Carbon emission targets have been initiated and are increasingly accompanied by regulatory policies

Still significant room for improvement

Only a few examples of regional mandatory RE targets

Still apparent that non-economic barriers hinder unfolding of full policy potential
Investment flows in UNECE (17)

- Investment is unevenly distributed (regionally and by sector)
- Funding sources mainly originating in national governments, international donors, and multilateral development banks
Investment flows in UNECE (17)

• These 17 countries represent only 0.2 % of 2015 worldwide RE Investment
• Increased Investment required to expand regional RE development
Drina River Basin RE Highlights

% of Gross Final Energy Consumption (GFEC)
Bosnia-Herzegovina 42.3%
Montenegro 41.55%
Serbia 20.90%

• Hydropower is the backbone
• Wind, Solar, and Biomass are still nascent technologies
• Smaller RE Projects
Bosnia-Herzegovina

- National Renewable Action Plan Pledge (NREAP), by 2020:
  - 40% of Gross Final Energy Consumption (GFEC)
  - 57% of Electricity, 52% of Heating & Cooling, 10% of Transport

- Current Electricity Mix
  - 60% Coal, 40% Hydro

- Estimated Cost Competitive RE Potential (IRENA)
  - 2.5 – 5.9 GW Wind, 1 GW Solar PV

- RE Highlights
  - 50 MW Mesihovina wind farm came online in 2018
  - NREAP achieved for GFEC

- Key Obstacles to RE Integration
  - Electricity Subsidies
  - Untested Power Purchasing, though Feed-in-Tariff considered highest in the region

- Other key issues/ solutions/ priorities ???
Montenegro

- National Renewable Action Plan Pledge (NREAP), by 2020:
  - 33% of Gross Final Energy Consumption (GFEC)
  - 51% of Electricity, 28% of Heating & Cooling, 10% of Transport

- Current Power Capacity
  - 658 MW Hydro, 218 MW coal, 72 MW Wind

- Estimated Cost Competitive RE Potential (IRENA)
  - 1.3 GW Hydro, 1.7 GW Wind, 300 MW Solar PV

- RE Highlights
  - Kmovo wind farm (72 MW) came online in 2017,
  - Stable PPA, 12 year Feed-in Tariff
  - NREAP achieved for GFEC and electricity!

- Key Obstacles to RE Integration
  - Clarification of Land Ownership
  - Low Solar PV Quota, only 10 MW
  - Other key issues/ solutions/ priorities ???
Serbia

- National Renewable Action Plan Pledge, by 2020:
  - 27% of Gross Final Energy Consumption (GFEC)
  - 37% of Electricity, 30% of Heating & Cooling, 10% of Transport

- Current Power Capacity
  - 3.9 GW Coal, 2.9 GW Hydro, 353 GW Gas, 10.8 MW Solar PV, 10.4 MW Wind

- Estimated Cost Competitive RE Potential (IRENA)
  - 6.9 GW solar PV and 5.6 GW wind

- RE Highlights
  - Cibuk 1 Wind Farm, when completed, will be the largest in the region (158 MW)
  - 10 MW Solar quota for NREAP achieved

- Key Obstacles to RE Integration
  - Land Ownership Rights Unclear
  - Subsidized Electricity limits expansion of Net Metering
  - Other key issues/ solutions/ priorities ???
Hard Talks: An Innovative Policy Dialogue Tool For Unblocking Renewable Energy Barriers to Investment

• A uniquely formatted multi-stakeholder dialogue:
  Involved Ministries – Energy, Economy, Finance, etc.
  Other key players – RES Agencies, Regulators, Network operators
  Private sector – project developers, industry associations
  Parliament, NGOs, media (2nd day)
  Financial actors – IFIs, development banks and commercial lenders
  International community – Donors, Consulates, etc.

• Adapted to the specifications and requirements of the host country

• Discussion guided by a practical “problem/solution” Discussion Paper

• Neutral international facilitators for the dialogue

• Involves two days – one expert day following by a half day for high-level decision-makers to deliver key messages from experts

• Conclusion: Discussion Paper is reformatted into a “Recommendation Paper” prioritizing the next steps which is sent to all participants and high-level decision-makers for further action
UNECE GE HARD TALKS:

• HARD TALK IN GEORGIA
  Hosted by the Georgian Ministry of Energy
  12-13 December 2016

• HARD TALK IN UKRAINE
  Hosted by the Georgian Ministry of Energy
  15-16 December 2016

• HARD TALK IN AZERBAIJAN
  Hosted by the State Agency for Alternative and Renewable Energy Sources (SAARES)
  19-20 October 2017

• HARD TALK IN KAZAKHSTAN
  Hosted by the Ministry of Energy
  26-27 April 2018

• HARD TALKS in Bosnia and Herzegovina, Montenegro and Serbia
  Taking advantage of the Drina River Nexus Approach to Increase Renewable Energy Capacity
  2018-2019
More on GERE:
http://www.unece.org/energy/se/gere.html

Thank you!