Seeking efficiency throughout Kosovo

A building at a time.
Editorial

Motivating households to invest in energy efficiency

Caitlin Reichart, MCC Deputy Resident Threshold Director for Kosovo

It is a privilege to contribute to the final Challenger issued during the Kosovo Threshold Program, focused on the Subsidies for Energy Efficiency – Kosovo (SEEK) Program. MCC and MFK designed this program more than five years ago with a goal of learning as much as possible about what motivates households to invest in energy efficiency measures and what model the Government of Kosovo could scale up effectively. Through the program we’ve now tested three different models for investing in household energy retrofits, and we’ve renovated almost 1,000 individual households across the country, as well as 26 apartment buildings with over 600 households. With each iteration of the program, different approaches to the subsidy, application, and retrofitting process taught us what worked well and what didn’t, helping us develop a set of recommendations for how to maximize the impact of future energy efficiency investments.

As the program comes to an end, we’re proud of the impact these investments have had – in the short term, reducing the energy consumption needs for thousands of citizens and raising awareness about the many benefits of energy efficiency measures. We are hopeful that with the learning from our pilot programs, Kosovo’s government can easily expand energy efficiency investments on an even larger scale, with citizens, Government, and the climate all reaping the benefits for years to come.

“GROW – a real window of opportunities in Kosovo. As the interest of investors is rising, Kosovan companies will be opened up to many chances to cooperate with foreign investors in the future, now that this additional lending is opening.”

Vera Baumann, Head of Economic Cooperation and Development at the German Embassy, on the occasion of the launch of GROW (Green Recovery and Opportunity Window).

“Millennium Challenge Corporation through the Millennium Foundation Kosovo has supported Kosovo institutions to open their data and create more transparency. I am really proud of our partnership with the Kosovo Judicial Council, the Kosovo Prosecutorial Council, and others who have supported this initiative to open judicial data and make it available for all the population, residents, citizens of Kosovo to access their own information as well as statistical information.”

Sarah Olmstead, MCC Country Director, on the ‘Public Access to Judicial Information’ Activity

“The iconic towers of Ulpiana have been in dire need of interventions, and I am very happy that we were able to support this project together with MCC. The renovated facades will give the towers a fresh look, and most importantly they will be safer for the inhabitants. As Mayor of the Capital City, I see this as one of the many projects we are dedicated to supporting, as it is our mission for a safer living environment and more energy efficiency.”

Perparim Rama, Mayor of Prishtina, on the visit to Ulpiana’s towers
What strikes me is the energy, enthusiasm and talent of young people

Having visited Kosovo often in the past, and returning last year after a gap of five years, I have been struck by many positive changes. As incoming OSCE Head of Mission, I was impressed to find that the Central Election Commission had decided to run the Assembly elections without direct support from the OSCE. Municipal elections last year also went smoothly and resulted in many new faces among Kosovo’s mayors as well as in the Municipal Assemblies. The positive assessment of election observers from both the EU and the UK was a tribute both to the maturity of young democracy and to the institution-building efforts of the OSCE over just two decades.

The Millennium Foundation has asked me to say something about Kosovo products that have caught my eye. Certainly, I have been delighted to discover the delights of the diverse and delicious local cuisine, which deserves to be better known beyond the region. And innovative businesses here have indeed succeeded in overcoming significant difficulties to export everything from soft drinks to shoes, sportswear and computer software to other parts of Europe and the rest of the world. Kosovo’s budding film industry has attracted global attention with its array of talent and remarkable output, including the prize-winning film “Hive”.

In my work with the OSCE what has struck me above all has been the energy, enthusiasm and talent of young people I have had the privilege to meet over the last twelve months. At Dokufest in Prizren, impeccably turned out young volunteers welcomed a large international crowd to a festival which has become a watchword for excellence in documentary film-making. Beyond the festival itself the OSCE has been working with Dokufest to support aspiring young film-makers to develop their skills. Dokufest is also our partner in reaching out to schools across Kosovo to build greater awareness among young people of the threats they face online, including from fake news and disinformation.

My colleagues at the OSCE have been supporting young people across a wide range of varied activities all across Kosovo. In Gjilan/Gnjilane I met young lawyers gaining practical experience of courtroom work at the Basic Court. In Obiliq/Obic I met youngsters working together across all communities on joint projects to improve access to the job market. At the Public Safety Academy in Vushtrri/Vucitrn young aspiring cadets from the Kosovo Roma, Kosovo Ashkali and Kosovo Egyptian communities told us about their ambitions to serve in the police. In Gracanica/Graçanica kids of all ages are taking part in a summer tennis camp, forging bonds of friendship across different ethnic communities.

This month we will welcome a remarkable group of young women leaders, from both Belgrade and Prishtinë/Priština, who will come together for ten days of professional training and intensive discussion on challenges they all face. This will be the 8th year of the OSCE’s Dialogue Academy for Young Women, which has been seeking to empower young women and help them to serve as role models in building bridges for a lasting peace and a safer place for women. With over 160 graduates of the Academy we now have an active alumnae group working on joint projects and initiatives to foster co-operation and enhance understanding.

This year the OSCE Mission will again organise a Youth Academy for young women and men devoted to the challenge of putting human rights theory into practice. Participants at last year’s event spoke to me in inspiring terms about their concrete plans to help the vulnerable and disadvantaged in their own communities. It is this combination of energy, talent, creativity and commitment which – in spite of all the obstacles which young people face in Kosovo today – fills me with hope for the future, and which makes the work of the OSCE Mission here so rewarding.
MFK launches Video Podcasts

The Millennium Foundation Kosovo (MFK) launched its Video Podcast series ‘Momentet e Mileniumit’, featuring in-depth conversations with MFK and MCC experts on latest activities, developments and other current issues across energy, judiciary, and gender and social inclusion among others. MFK video podcast, hosted by Petrit Selimi, MFK CEO, airs on Klan Kosova TV and Radio, every Friday morning.

Mayor of Prishtina, Perparim Rama, was among the guests, who in conversation with CEO Selimi, they tackled the benefits from the efficiency renovation of Ulpiana towers, as part of SEEK Program, as well as from the installation of heat meters and the modernization of Termokos via the joint project Prishtina HeatSave.

SEEK Closes with a conference highlighting the Role of Private Sector in Promoting Energy Efficiency in Kosovo

Titled 'Role of Private Sector in Promoting Energy Efficiency in Kosovo,' the closing conference officially concluded SEEK activities, while presenting findings and learnings from SEEK intervention in the residential sector, aiming to help Kosovo institutions and donors shape future energy efficiency investments. The conference was attended by senior representatives of the Millennium Challenge Corporation (MCC) from Washington DC, the Ministry of Economy of the Republic of Kosovo, Mayors of the Municipalities that have co-funded energy efficiency projects implemented by MFK, as well as private sector representatives.

MFK CEO, Petrit Selimi in his opening remarks stated: “As a US Federal Agency, MCC insists that the private sector has a prominent role everywhere in the world, including Kosovo. The private sector will be the bearer of investments and progress in the landscape of private houses in our project. Therefore, we have also worked hard to requalify and train the private sector to work in the future in various energy efficiency projects for the residential sector.”

MCC meets with the new CEO of Termokos to discuss the sustainability of Prishtina HeatSave

Led by Kevin Mitchell, Managing Director of Sector Operations, a senior delegation from MCC and MFK visited the District Heating Network in Prishtina “Termokos” to learn more about the progress Prishtina HeatSave, an MCC supported intervention aiming to modernize the entire Termokos billing system. MFK and MCC representatives met with the newly appointed Termokos CEO, Fisnik Osmani, where they discussed the progress of Prishtina HeatSave and the importance of ensuring sustainability to this project.

Termokos CEO Fisnik Omani, considers the Prishtina HeatSave activity of a great importance. “This investment is taking thermal energy accessibility to another level. It greatly contributes towards improving Termokos operations as well as the lives of Prishtina citizens.” – Mr Omani stated.
The majority of energy consumed in Kosovo is consumed by households rather than industry. This means that working with households to reduce their consumption is a critical component of developing a more energy-secure future.

MCC saw the potential for household energy efficiency subsidies in Kosovo to offer a triple benefit: (i) conserving energy especially during the winter when demand exceeds supply, (ii) raising awareness about the importance of energy efficiency and the impact that households can have, and (iii) making people more comfortable in their homes with better insulation, sources of heating, etc.

We set out to develop a program that would focus specifically on maximizing our learning. While there are international best practices for energy efficiency, a large-scale program had never been piloted in Kosovo, and we wanted to help the Government identify the most effective program for Kosovo specifically.

Through SEEK, we’ve retrofitted nearly 1,000 homes through three different grant windows. With each one we made some tweaks to the process and subsidies to test different models, and with each iteration we learned more about what was most effective. We are happy to be now passing that learning on to the Government and other partners working on energy efficiency, and we are eager to hear about your plans and next steps in this sector.

We are not only handing over a set of “lessons”, though. In the course of implementing the SEEK program, MFK and the implementing contractor GFA grew an impressive network of companies that have been trained and certified to do energy efficiency retrofits, an online platform for managing this program, and an impressive awareness-raising campaign about energy efficiency. These concrete assets and tools mean that Kosovo is well-positioned to expand energy efficiency programs in the near-term.

I would be remiss not to mention the current global energy crisis, which is alarming especially for countries like Kosovo that are looking ahead to a difficult winter season when demand for energy will once again significantly exceed supply. The case for investing in energy efficiency is even more compelling now than when we designed this program, and we are eager to support the Government and private sector partners to take advantage of the resources from SEEK to expand its impact.

Kevin Mitchell
Managing Director of Sector Operations
Millennium Challenge Corporation (MCC)

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The Kosovo Compact, which includes an additional $34 million contribution from the Government of Kosovo, will build on MCC’s initial $49 million Kosovo Threshold Program that targeted energy policy and institutional reforms to lay the groundwork for large-scale energy infrastructure construction, and pathways to employment for youth and women in the energy sector.

“Today’s ceremony is a testament to the special relationship between the Republic of Kosovo and the United States of America”

President Osmani

EBRD forecast for Kosovo real GDP Growth in 2023 4.0%

Reduced supplies of gas from Russia and mounting inflation worldwide will slow economic growth further next year in the regions where the European Bank for Reconstruction and Development (EBRD) works, EBRD forecasts.

The EBRD forecasts economic growth of 3.2% in 2022 and 4% in 2023 for the Western Balkans region. However, projections are subject to major downside risk should Russia’s war on Ukraine escalate or the volume of its gas exports decline even more, the EBRD states.

Decision on emergency energy measures for public institutions and subsidizing of bills

Following the global energy crisis which has aggravated the energy situation in the country and the local electricity generation, the Emergency Technical Committee, consisting of representatives from all relevant energy institutions, has recommended a series of energy savings measures to influence the reduction of electricity demand in the country.

The measures taken by the Government of Kosovo oblige all central and local public institutions, as well as all public enterprises to be rational in energy consumption, with a special focus on heating and lighting. Reducing energy consumption during the winter season is critical to cope with the crisis, especially when consumption significantly exceeds the country’s generation capacity.
The National ‘Winter is Coming’ Campaign Launched

MFK and MCC launched ‘Winter is Coming’ a national campaign with the aim of changing the behavior of the residential consumers on energy use and raising the awareness on the importance of the implementation of energy efficiency measures.

Long term benefits of energy efficiency measures have always been recognized, however, now, as energy bills have gone up due to energy crisis, implementing such measures is more necessary than ever to reduce energy consumption and save on bills.

A list of around 100 qualified installers can be found on MFK website for the households to choose for their house retrofitting. All these construction companies have been trained by international experts, in evaluating the energy performance of a household, and identifying energy efficiency measures that households can undertake to make their home more efficient.

The national campaign aims at changing the behavior of the residential consumers on energy use.
Changing culture and norms around public data

With the purpose of reflecting on how the Dig Data Challenges progressed toward their overarching goal of building trust in society and enabling data-driven decision making, the Millennium Challenge Corporation and Moonshot Global Consulting have developed the Periodic Table of Open Data Impact. This periodic table focuses on the current state of Open Data in Kosovo based on the Dig Data Challenges that were conducted by Millennium Foundation Kosovo (MFK) from 2018 to 2022. It intends to provide a snapshot of progress against these areas as of July 2022 and provides recommendations on where the Government of Kosovo should focus to continue to make progress on open data accessibility and use, leading to improved governance and trust of the government.

Learnings from DigData Kosovo

> The Open Data Challenges represented a successful aspect of the Threshold Agreement.

> The challenges helped fuel a cultural shift in Kosovo, increasing requests for publicly available data, interest in the use of open data, and dialogue between government institutions, civil society organizations, and citizens on appropriate data usage.

> Civil society organizations in Kosovo have demonstrated interest and capacity to use open data creatively and effectively to address a variety of problems across different sectors.

> Brokering relationships between government institutions and civil society organizations required effort and persistence that ultimately proved worthwhile, improving trust between the different stakeholders in Kosovo and promoting transparency across industries.

> In future efforts, government entities must see the value of open data and how they themselves can benefit from open data.

> Despite perceptions, government institutions can have interest in making data public, and may simply need additional support and capacity.