



Main Findings of the Gap Analysis Study

Session II: Opportunities and Challenges
in RE Deployment in the Region

Katarina Uherova Hasbani
IRENA consultant



Outline

1. Introduction
2. Main takeaways from gap analysis
 - i. 2 groups of countries
 - ii. Multifaceted needs & differentiated by country
 - iii. Future developments
3. Conclusion



Introduction: Gap analysis study for South East Europe

IRENA

Ongoing efforts to scale up its support to South East Europe

In the process of developing an Action Plan that will provide a strategic framework for future engagement in the region

This study

Identify and analyse the key gaps hindering more accelerated renewable energy deployment in the region

Feed into IRENA's Action Plan for the region

Its methodology

Step 1: Questionnaire based on EU RED & Energy Community Progress Report sent out to more than 50 institutions. 19 institutions from 10 countries responded + 9 experts/donor representatives.

Step 2: Identify key stakeholders & their past, ongoing and planned activities related to renewable energy.

Three main takeaways

Capacity building needs depend on RE experience (2 groups of countries)

Group 1 -Countries, which implemented & revised their RE schemes, achieved their RED targets & have developed RE market

Group 2 -Countries, which have recently approved support schemes & RE markets are at early stages

Capacity building needs are multifaceted & differentiated by country

Informed policy making

Data & analysis

Finance

RE projects & markets

Understanding RE costs

Making RE projects work

Additional needs will emerge in the short to medium term

Better awareness - More institutions will be exposed/involved in RE markets

Changes due to RED II

Technologies advancing & infrastructure upgrades (e.g. smart grids)

2 groups of countries with differentiated needs

Group 1: Implemented & revised their RE schemes, achieved their RED targets & have developed RE markets

**1 - Bulgaria, Croatia, Slovenia,
Romania**

2 groups of countries with differentiated needs

Group 1: Implemented & revised their RE schemes, achieved their RED targets & have developed RE markets

Group 2 : Recently approved support schemes & RE markets are at early stages

1 - Bulgaria, Croatia, Slovenia, Romania

2 -Albania, Bosnia and Herzegovina, Kosovo, FYR of Macedonia, Moldova, Montenegro, Serbia

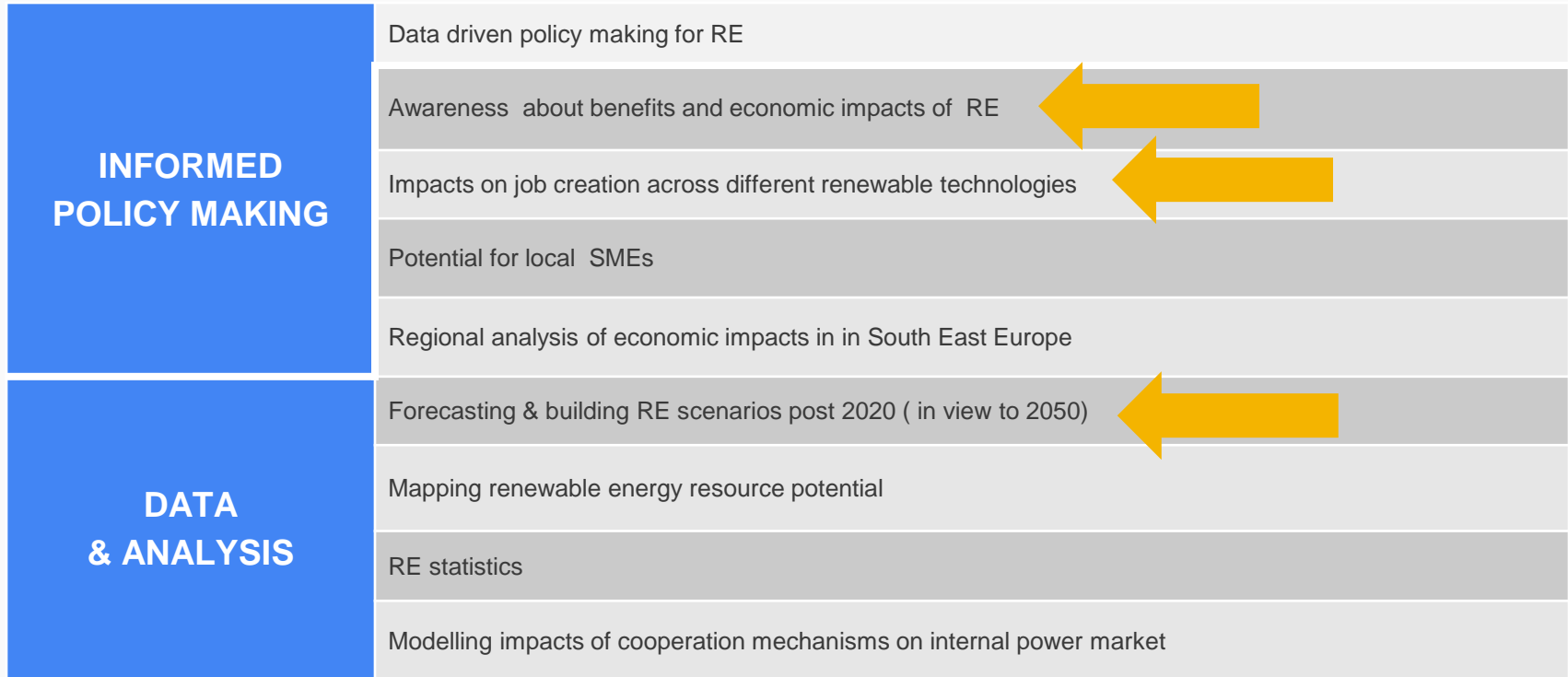
KEY DIFFERENCES

- Responses indicate that countries which already implemented & revised their support schemes have less pressing needs
- These countries have larger RE markets compared to the rest, which impacts on attractiveness for foreign investors
- Membership in the EU helps to improve institutional capacity (reporting obligations)


Capacity building needs: Leveraging RE statistics

INFORMED POLICY MAKING	Data driven policy making for RE
	Awareness about benefits and economic impacts of RE
	Impacts on job creation across different renewable technologies
	Potential for local SMEs
	Regional analysis of economic impacts in in South East Europe
DATA & ANALYSIS	Forecasting & building RE scenarios post 2020 (in view to 2050)
	Mapping renewable energy resource potential
	RE statistics
	Modelling impacts of cooperation mechanisms on internal power market

Capacity building needs: Leveraging RE statistics



Capacity building needs: RE project development

FINANCE	Financing instruments adapted to local RE	
	Incentivizing local industry, domestic private investors & project developers	
	Understanding of key barriers to private investments	
	Building Public – Private Partnerships for RE	
	Business models adapted for community financed RE	
RE PROJECTS & MARKETS	Grid connection issues	
	Streamlining administrative procedures & creation of one-stop-shop	
	Balancing market	
	Empowering local authorities	
	Market structure & integration of renewable power	

Capacity building needs: RE project development

FINANCE	Financing instruments adapted to local RE	
	Incentivizing local industry, domestic private investors & project developers	
	Understanding of key barriers to private investments	
	Building Public – Private Partnerships for RE	
	Business models adapted for community financed RE	
RE PROJECTS & MARKETS	Grid connection issues	
	Streamlining administrative procedures & creation of one-stop-shop	←
	Balancing market	←
	Empowering local authorities	
	Market structure & integration of renewable power	←

Capacity building needs: Understanding RE policy costs

UNDERSTANDING COSTS & TARIFFS

Assessing policy costs of renewable energy

Impacts of renewable energy dev. on end-user consumer prices



Economic costs for various RE scenarios & annual government budgets


MAKING RE SUPPORT SCHEMES WORK

Tendering schemes based on cost-effective RE

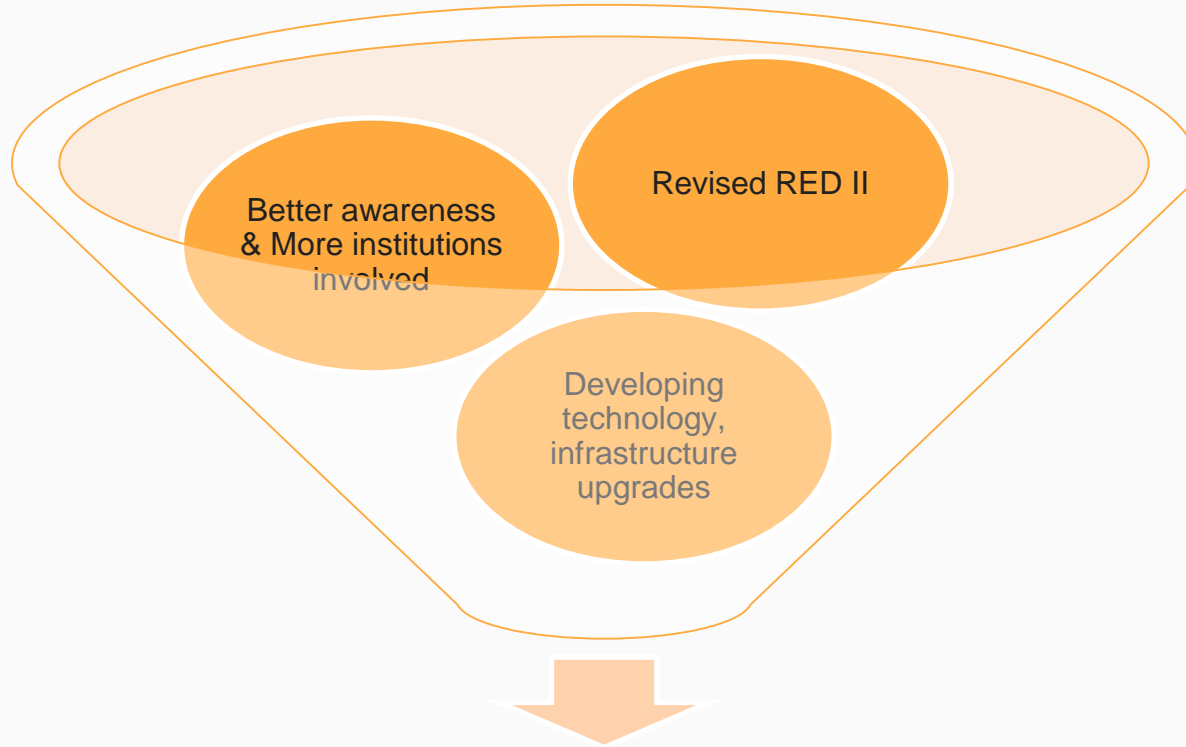
Transition from feed-in tariffs to feed in premiums

Market based support schemes

Capacity building needs: Understanding RE policy costs

UNDERSTANDING COSTS & TARIFFS	Assessing policy costs of renewable energy
	Impacts of renewable energy on end-user consumer prices
	Economic costs for various RE scenarios & annual government budgets
MAKING RE SUPPORT SCHEMES WORK	Tendering schemes based on cost-effective RE
	Transition from feed-in tariffs to feed in premiums
	Market based support schemes 

Factoring-in future developments



Additional needs will emerge to develop
RE-focused capacities

Conclusion



Sailing towards renewable sunrise in South East Europe...

The following key areas of capacity building needs emerge:

- Explaining wider benefits of renewable energy
- Adapting support schemes
- Streamlining administrative barriers

Thank you

Contact:

Katarina Uherova Hasbani

Kuhhasbani@revellegroup.eu

www.revellegroup.eu

+6583431000



Next session

Overview of the engagement of
development partners in the RE area

Background slides

List of government institutions, which responded to the questionnaire

- Albania: National Agency of Natural Resources and Ministry of Energy and Industry
- Bosnia and Herzegovina: Ministry of Foreign Trade & Economic Relations of Bosnia and Herzegovina, Regulatory Commission for Energy in the Federation of Bosnia and Herzegovina
- Bulgaria: Ministry of Energy
- Croatia: Ministry of Economy, Croatian Transmission Operator Ltd., Croatian Energy Market Operator Ltd.
- FYROM: Ministry of Economy, Energy Agency of FYROM
- Moldova: Statistics Office, Energy Efficiency Agency
- Kosovo: Ministry of Economic Development, Energy Regulatory Office
- Romania: Ministry of Energy
- Slovenia: Energy Agency, Ministry of Infrastructure
- Serbia: Ministry of Mining & Energy, Energy Agency

List of top 15 areas of capacity building needs (1)

- Assessing impacts of renewable energy development on end-user consumer prices
- Design of financing instruments adapted to local renewable energy power projects
- Introduction of market based support schemes & competitive energy markets for renewable energy power
- Grid connection issues (refusal of connection or lead time for connection) and/or transparency in grid expansion plans
- Analyzing impacts on job creation across different renewable technologies
- Streamlining administrative procedures & creation of one-stop-shops: Best practices
- Mapping renewable energy resource potential

List of top 15 areas of capacity building needs (2)

- Adapting electricity market design to integrate renewable power
- Forecasting energy demand and renewable energy projects for 2030 & 2050
- Assessing potential for local, small and medium size enterprises at company and individual level
- Streamlining of administrative procedures for permitting, authorization and connection of renewable power projects to the grid
- Building renewable energy scenarios post 2020 in view to 2050
- Assessing policy costs of renewable energy
- Analysis of the impact of renewable energy deployment on the economy and the interdependencies between sectors and markets in South East Europe
- Raising awareness about benefits and economic impacts of renewable power especially job creation