

District Heating Systems in Kosovo

Project Financing

WBIF	Grant	WB21-KOS-ENE-01	€ 2,361,750
EIB	Loan		€ 75,000,000
EBRD	Loan		€ 75,000,000
National Contribution	Own Contribution		€ 1,100,000
Anticipated WBIF TA Grant	External Grant		€ 1,060,000
Other Sources	Other Sources		€ 8,000,000
Total			€ 162,521,750
Total Grants			€ 2,361,750
Total Loans			€ 150,000,000

Project Description

District Heating (DH) systems in Kosovo are limited to only four municipalities (Prishtina, Gjakova, Mitrovica and Zvecan), accounting 3 to 5% in the heating of spaces. Currently, only one district heating (DH) is in operation, and that is Termokos in Prishtina. Other cities, like Peja, Prizren, Ferizaj and Gjilan do not have DH systems, despite their large urbanised areas by collective residential buildings. Few municipalities, such as Obiliq and Drenas/Gllogoc are in favourable areas considering that the first one is nearby the power plant Kosovo B and could be connected to cogeneration system, and the second one is near to smelting factory “Feronikel” which waste thermal energy arising from the technological smelting process. Obsolete thermal systems in cities such as Mitrovica and Zveçan need comprehensive rehabilitation in order to expand services to new and planned buildings, as the demand for connection is continuously increasing.

Despite significant improvements in the heat supply from the cogeneration units (Prishtina), the district heating in final energy consumption is still very low compared to the available potential. As the urbanization of the Kosovo population is increasing, it also increases the demand for heating spaces of collective buildings. This increase is mainly because of the growing demands for a higher comfort level in both old and new buildings.

Given these challenges that Kosovo is currently facing, carrying out of a Feasibility Study and ESIA would help Kosovo establish rehabilitation and upgrade possibilities of existing DH system capacity in Mitrovica and construction of new capacities in regions of Peja, Prizren, Ferizaj, and Gjilan. Having these in place, Kosovo will be able to increase the security of supply, energy efficiency, diversify energy sources, reduce air pollution, and improve quality of life. The Government of Kosovo has already identified the implementation of DH systems as its national priority and included the development of this subsector in the Single Sector Project Pipeline list of projects. The project is also consistent with national strategies, Law on District Heating, and respective EU policies and standards.

Results and Benefits

- 8 new DH plants constructed and one rehabilitated and network expanded
- 150 km of new pipes for DH network

- 1,200,000 inhabitants benefitting from DH systems

- **Countries:** Kosovo*
- **Code:** PRJ-KOS-ENE-009
- **Sector:** Energy
- **Lead IFI:** EIB
- **Status:** Preparation
- **Beneficiary:**