

# REEP UPDATES

JUNE 2026 · ISSUE NO 4



COVER STORY · SARAJEVO CANTON

## SECOND PHASE OF €11 MILLION PROJECT COMPLETED: 32 PUBLIC BUILDINGS IN SARAJEVO NOW CONSUME UP TO 50% LESS ENERGY



### €11M

PROJECT VALUE (EU GRANT + EBRD LOAN)

### 32

PUBLIC BUILDINGS RENOVATED

### 50%

ENERGY & CO<sub>2</sub> REDUCTION EXPECTED

The second phase of the EBRD-led 'Energy Efficiency in Public Buildings of Sarajevo Canton' project has been successfully completed, resulting in improved energy efficiency in 32 public buildings, including schools, kindergartens, student dormitories and healthcare facilities across the Canton.

The third and final project phase is currently underway. Once this final phase is completed, a further six buildings will have been renovated.

The project is financed with a €2 million EU grant and an €8 million EBRD loan, while Austria funds technical assistance.

The works included thermal insulation of façades and roofs, replacement of windows and doors, modernisation of heating systems and installation of LED lighting. The expected results are multiple: up to a 50% reduction in energy consumption and CO<sub>2</sub> emissions, as well as long-term budget savings and significantly improved conditions for thousands of users.

Read more [here](#).

## 01 PROJECT NEWS

SERBIA · DISTRICT HEATING

### New consulting contract advances Serbia's biomass and decarbonisation of district heating programmes



A new consulting contract to start pre-feasibility studies was signed between Serbia's Ministry of Mining and Energy and Fichtner, together with local partner ESG. It is launching the next wave of investments in cleaner district heating.

Financed from IPA 2018 funds, the contract will prepare a pipeline of biomass district heating projects under the Biomass II programme, as well as projects for the Decarbonisation of District Heating programme focused on solar thermal and heat pump solutions. Future investments are expected to be financed through a combination of KfW loans and REEP grant funds, supporting projects in Prijepolje, an expansion phase in Novi Pazar and new renewable-based systems at the Belgrade Danube and Belgrade Cerak sites.

SERBIA · LOW CARBON ENERGY FACILITY

### KfW and UniCredit Bank Sign Agreement for Low Carbon Energy Facility

KfW, on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), has signed a new credit line agreement with UniCredit Bank Serbia for the **Low Carbon Energy Facility** — the successor programme to the successful Eco Loans initiative. Programme will be supported with EU grants.

The contract marks a significant milestone for green finance in Serbia, paving the way for businesses and entrepreneurs to access affordable financing for low-carbon investments. The programme is expected to be fully operational in **2026**, when eligible clients will be able to apply for loans through UniCredit Bank.

The Low Carbon Energy Facility continues KfW's long-standing commitment to supporting Serbia's transition to a low-carbon economy, building on the results and lessons learned from the Eco Loans programme — which demonstrated strong demand and positive environmental impact across the country.

NORTH MACEDONIA · STUDENT HOUSING

### €70 million top-up for student dormitories in North Macedonia



A new €70 million financing package from March 2026 will scale up energy efficiency investments in student dormitories across North Macedonia, combining a KfW loan with EU grants through WBIF and the Regional Energy Efficiency Programme (REEP+). The programme will renovate existing facilities towards nearly zero-energy building standards, improve seismic safety and significantly enhance comfort and living conditions for thousands of students. Read more on the [REEP webpage](#).

# 01 PROJECT NEWS / CONT.

PRISTINA · PUBLIC BUILDINGS

## New milestones for Kosovo’s public buildings

Renovation of 20 public buildings in Pristina, Kosovo, officially started on 2 April, following the signing of the works contract between the Pristina municipality and the selected contractor. The project is financed by a €5 million EBRD loan, supported by a €1 million EU grant channeled through REEP.

The objectives of the project are to improve the environmental sustainability of municipally owned buildings in Pristina by implementing energy efficiency measures that will lead to energy savings and a reduction in CO<sub>2</sub> emissions, as well as to promote private sector involvement in the design and implementation of energy-saving projects.

In addition to Pristina, the project to renovate buildings in Prizren is also progressing with the works contract recently signed, paving the way to the works to start soon. The project in Prizren is funded by a €5 million EBRD loan and €1 million EU-funded investment grant and foresees restoration of and energy efficiency improvements in 43 public buildings (kindergartens, schools, and healthcare centers) in Prizren.



ZENICA · CANTONAL HOSPITAL

## Construction work starts on public hospital in Zenica



A contract for the design and construction of a new boiler room at the Zenica Cantonal Hospital has been signed, marking the start of the first phase of the hospital's modernisation. The project is financed by the EBRD, with grant support from the European Union.

The broader investment includes the construction of new hospital facilities, energy renovation of existing buildings and the installation of a new 9 MW boiler room – laying the foundation for a modern, energy-efficient and sustainable hospital. The total project value amounts to €19.3 million.

**€19.3M** TOTAL PROJECT VALUE

## 02 EVENTS

MONTENEGRO · BAR · OŠ 'SRBIJA'

### Young energy champions: students in Bar take the lead in Montenegro's green transition

30 pupils from OŠ 'Srbija' – Stari Bar took part in an interactive workshop in May. The focus was on energy efficiency, and the workshop was held in their newly renovated, energy-efficient school building. Supported through the Regional Energy Efficiency Programme (REEP), the activity helped students discover how simple changes in buildings and everyday behaviour can cut energy use, lower bills and improve comfort in classrooms. Read the full story about these Young Energy Champions and Montenegro's green schools on the [REEP webpage](#).



SARAJEVO · PHOTO EXHIBITION

### Photo exhibition marks successful completion of the second phase of the Sarajevo public buildings project

To mark the completion of the second phase of the project in Sarajevo, an event presenting the photo exhibition documenting the transformation of the buildings was held at the European House of Culture and National Minorities on 26 March 2026. The event was attended by the Sarajevo Canton mayor, EU, Austria and EBRD representatives, as well as by directors of renovated buildings. The exhibition was also accessible for viewing to the public in front of the Academy of Fine Arts in Sarajevo, where it remained on display until 25 April 2026. Read more [here](#).



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Simple changes in buildings and everyday behaviour can cut energy use, lower bills and improve comfort in classrooms.

YOUNG ENERGY CHAMPIONS WORKSHOP  
OŠ 'SRBIJA' · STARI BAR

## 02 EVENTS

MONTENEGRO · MEDIA TOUR

### Montenegro showcases green transition: media tour highlights energy-efficient public buildings

Montenegro's green transition took centre stage during a two-day media tour in March 2026 that combined a construction site visit in Risan with an energy efficiency workshop in Perast. Journalists saw first-hand how the new energy-efficient Grabovac Home for the Elderly – a €6.5 million flagship investment under the 'Promotion of Energy Efficiency in Public Buildings in Montenegro' programme – will cut energy use by around 50% and CO<sub>2</sub> emissions by about 80%, while offering modern, comfortable accommodation for older citizens. The tour also highlighted how renovations of 20 public buildings across the country are improving comfort, safety and energy performance, demonstrating that social policy and the green transition can advance together. In addition new visual identity has been officially presented. [Read more.](#)



ANNOUNCEMENTS · 23–24 JUNE 2026 · TIRANA

### 41st Energy Efficiency Coordination Group meeting to be held in Tirana (23–24 June 2026)

The Energy Community Secretariat, in cooperation with the Ministry of Infrastructure and Energy of Albania, will convene the 41st EECG meeting in Tirana, Albania. The meeting will gather representatives from ministries, energy efficiency agencies and regional stakeholders to discuss key energy efficiency priorities, including policy implementation, the 'energy efficiency first' principle, the new energy labelling package, the energy efficiency



dimension under National Energy and Climate Plans (NECPs) and heating and cooling strategies. As a steering forum for regional initiatives, the EECG supports coordination of support programmes, including the Regional Energy Efficiency Programme (REEP), which will be invited to present recent progress. A thematic workshop on energy efficiency in buildings and a site visit to an exemplary renovation project will complement the EECG event.

## 03 SUCCESS STORIES

FEATURE · SUCCESS STORIES

### A warmer home, lower bills: a Serbian family's journey to energy efficiency



For the Đukanović family in Belgrade, improving their home was not just about renovation; it was about creating a more comfortable, affordable and sustainable future for four generations living under one roof.

Through the EBRD Green Economy Financing Facility (GEFF), the family transformed their house into a modern, energy-efficient home, significantly reducing their energy use, costs and environmental footprint.

Until recently, the house relied on wood and pellet heating, a common but increasingly costly solution during Serbia's cold winters. Seeking a more reliable and sustainable alternative, the family decided to invest in greener technologies that would improve comfort while reducing long-term expenses.

#### THE FINANCING

Using two GEFF loans totalling €31 000 from a partner bank, combined with a €5 800 EU-funded grant, the Đukanović family was able to carry out a full upgrade of their home.

Today, it is equipped with a heat pump, a photovoltaic system, energy-efficient windows and underfloor heating, and the results are already promising. The family expects to cut electricity consumption – excluding heating – by around 50%, while the new heating system will further reduce energy use during winter.



*'By using electricity from the photovoltaic system, we expect to significantly reduce our consumption,' says Miloš Đukanović. 'At the same time, the new heating system will bring additional savings this winter. For us, this means greater comfort and real financial relief. This decision has transformed not only our house but also our quality of life.'*

With the investment expected to pay off within seven years, the Đukanović family's experience shows how access to green financing can turn energy efficiency into a practical, achievable solution, delivering long-term benefits for households while supporting the broader green transition in Serbia.

## GREENER SCHOOLS AND HOSPITALS IN MONTENEGRO: **HOW REEP DELIVERS FOR CITIZENS**



**Bernard Brunet**

HEAD OF COOPERATION  
AT THE EUROPEAN UNION  
DELEGATION TO MONTENEGRO

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**THE GREEN TRANSITION IS NOT A CHOICE BUT A NECESSITY. THROUGH PROGRAMMES LIKE REEP, MONTENEGRO IS BUILDING A GREENER, MORE PROSPEROUS FUTURE FOR ALL GENERATIONS.**

*In March 2026, we have interviewed Mr Bernard Brunet from European Union Delegation to Montenegro.*

### **What is the scale of REEP investment in Montenegro and what kinds of improvements are being delivered?**

The scale of investment in Montenegro is substantial and spans several major public sectors. In education, a €20 million EBRD loan combined with a €4 million EU investment grant supports energy efficiency measures in 24 school and kindergarten buildings and one student dormitory. A separate €45 million KfW loan, backed by a €4.7 million EU investment grant, covers 19 additional schools, one home for older people and one student dormitory.

In the healthcare sector, a €12 million EBRD loan together with €2.8 million in EU and donor grants supports the retrofit of three major hospital buildings: the Clinical Centre in Podgorica, the hospital in Cetinje and the hospital in Bijelo Polje. Seven schools in municipalities including Nikšić, Kotor, Tuzi, Bar and Cetinje have already been fully refurbished, with initial estimates showing energy savings of up to 50% in some buildings. Many of the buildings included in the programme date from the 1930s to the 1980s and have long suffered from outdated heating systems, weak insulation, leaking roofs and inefficient windows.

Renovation measures include modern HVAC systems, improved thermal insulation, new windows and roofing, and in some cases the possible integration of solar photovoltaic technologies. These are not abstract policy outcomes. They are visible, tangible improvements that children, patients, teachers and medical professionals experience every day.

### **Why is REEP such a compelling example of the green transition in action?**

REEP is compelling because it connects policy, financing and lived experience in a single story. It supports public authorities in meeting European standards, while also improving the places where children learn, where patients recover and where older citizens receive care. For Montenegro, this is the practical meaning of the green transition: lower emissions, better regulation, warmer schools, safer hospitals, lower public energy costs and better living conditions for citizens.

In that sense, the programme offers a strong example of how a partnership between Montenegro, the European Union and international financial institutions can translate long-term policy goals into immediate, visible results.

Read the whole interview on the [REEP webpage](#) or visit [Portal analitika](#) for the original version in Montenegrin.



#### ABOUT THIS PUBLICATION

## REEP UPDATES

REEP Updates is a biannual newsletter covering the latest news and developments in relation to the Regional Energy Efficiency Programme (REEP) in the Western Balkans. The newsletter is distributed to programme stakeholders, including donors, international financial institutions (IFIs), implementing partners and media.

#### ABOUT REEP

## LAUNCHED 2013

Launched in 2013, the REEP was designed to assist the Western Balkan countries in decarbonising their economies by promoting investments in renewable energy and energy efficiency measures across residential, public and private sectors. The programme combines a comprehensive package of financing from the EBRD, KfW, European Union and other donors.

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