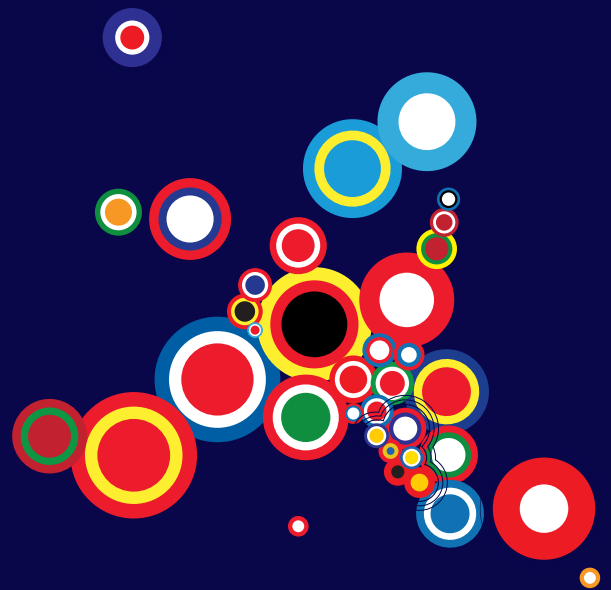




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

KOSOVO*

Kosovo A Decommissioning
and Feasibility Study on
Kosovo B TPP



Action Summary

The main objective of this activity is to support the Government's institutions and other relevant stakeholders and established mechanisms (three working groups and the KEK unit on the decommissioning process) in the preparations for the decommissioning and dismantling process of facilities in TPP Kosovo A and for the study on Kosovo B.

*This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Action Identification	
Programme Title	<i>2014 Annual Action Programme for Kosovo</i>
Action Title	<i>Kosovo A Decommissioning and Feasibility Study on Kosovo B</i>
Action Reference	<i>IPA 2014 /032355 / Kosovo/Kosovo A Decommissioning and Feasibility Study on Kosovo B</i>
Sector Information	
IPA Sector	<i>Energy</i>
DAC Sector	<i>23040</i>
Budget	
Total cost (VAT excluded)¹	<i>EUR 3 million</i>
EU contribution	<i>EUR 3 million</i>
Management and Implementation	
Method of implementation	<i>Direct Management</i>
<i>Direct management:</i> EU Delegation in charge	<i>European Union Office in Kosovo</i>
Implementation responsibilities	<i>European Union Office in Kosovo</i>
Location	
Zone benefiting from the action	<i>Kosovo</i>
Specific implementation area(s)	<i>Municipality of Obiliq/Obilić, KEK –Kosovo A & B Thermal Power Plants</i>
Timeline	
Deadline for conclusion of the Financing Agreement	<i>31 December 2014</i>
Contracting deadline	<i>3 years following the date of conclusion of Financing Agreement</i>
End of operational implementation period	<i>6 years following the date of conclusion of Financing Agreement</i>

¹ The total action cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

Today, power generation in Kosovo consists of two lignite fired thermal power plants. The nominal installed generation capacity is 1,478 MW (five units of Kosovo A TPP and two units of Kosovo B TPP). On average, however, only around 915MW are available due to poor maintenance over the last two decades. In addition to these two TPPs, Kosovo Energy Corporation KEK is purchasing power from a hydroelectric power plant (HPP) in Ujman/Gazivoda with a total net capacity of 32 MW, and three small HPPs in Lumbardhi/Kozhnjer (8 MW), Dikanc (0.94 MW), Radavc (0.84 MW) and Burimi (0.8 MW). Currently, 97% of the total generation capacity comes from the two TPPs, while hydropower accounts for only 3%.

The installed capacities are sufficient to meet Kosovo's average demand, which is growing about 4% per year. However, due to inadequate maintenance and cancelling of major investments for the existing TPPs between 1988 and 2000, the reliability and the net output of the generating units, especially of Kosovo A TPP, are very low. The three currently functional units of Kosovo A TPP (A3, A4, and A5) can produce annually around 2,185 GWh of electricity. Considering the technical and operational status of the units and the related repairs that have been performed recently, A3, A4 and A5 units could operate until the entry into production of the new TPP "Kosova e Re".

The site of TPP Kosovo A also includes gasification and fertilizer plants which are no longer operational and which represent an environmental hazard due to potentially hazardous chemicals still contained in materials remaining in pipes and in equipment located on the premises. This pollution affects the health of men and women who work there.

The site of the gasification plant is part of a large industrial complex operated by the Kosovo Energy Corporation JSC. It is located within the municipality of Obiliq/Obilić, approximately 10 km eastwards from the city of Pristina.

People living near the lignite coal plants and power plants in Obiliq/Obilić municipality have reported higher instances of pulmonary diseases. Poorer people who cannot afford to relocate suffer from health-related conditions. Women and children who remain in their homes located near these plants during the day may be at greater risk of illness than men who work away from the area.

An initial feasibility study and conceptual project for the clean-up and disposal of hazardous and non-hazardous products and waste stored in parts of the tanks and containers of the gasification plant located on the premises of the Kosovo A Thermal Power Plant (TPP) was carried out in 2009. The Environmental Impact Assessment study was subsequently carried out between 2009 and 2010 and the study for clean-up works took place between 2011 and 2012.

The extension of the scope of works of the clean-up was defined by the funds made available by the Dutch Government and the World Bank, and focused on the characterisation, on-site treatment and final disposal of hazardous and non-hazardous chemicals which are stored in the tanks and facilities of the plant such as: approx. 1,199 tons of liquid with High Organic Content, approx. 20 tons of Solvent, approx. 36 tons of organic material for separation of phenols from water, around 3,583 tons of silt tar, around 194 tons of tar condensate, approx. 35 tons of silt from the tanks and approx. 42 tons of deposited silt.

What is still missing is the clean-up of the underground tank B5 in the gasification plant. This tank is planned to be treated in 2014.

A preliminary soil characterisation campaign was also carried out in order to identify and quantify the potential presence of soil contamination.

A detailed study for the remediation and dismantling of the gasification equipment is still required. It should include the characterisation of the waste products, design of the equipment for the dismantling works and the design of a soil and groundwater characterisation campaign to complete what has already been started, but needs to be further analysed in more detail including the elaboration of a cost estimate. Additional characterisation work of the site is also to be included.

The location of TPP Kosovo A also contains a disused heat plant which produced technological steam. The production capacity of the heat plant was about 1 million tonnes of steam per year. The heat plant has three boilers. Boilers K (1) and K (2) have terminated their steam production and are out of operation since 20 years and, therefore, in very poor condition. Steam Boiler K (3) is out of operation since 2005. This boiler also faces significant technical problems.

The heat plant has two installed turbines with a capacity of 16 MWh and 25 MWh. The 16 MWh capacity turbine is not operational since 20 years, and therefore cannot be further used for safe and reliable operation. The 25 MWh turbine has not been in operation since 2005 and is facing technical problems because of lack of repairs. In general, these facilities are in a condition which doesn't allow them to operate in compliance with technical and environment standards.

Until now no study (including necessary cost benefit calculations) was undertaken on the existing district heating equipment and facilities.

Kosovo B Power Plant consists of two units with an installed capacity of 339MW each and it commissioned in 1983-84.

Given the need to meet the environmental standards, the TPP Kosovo B requires a feasibility study to determine the level of environmental pollution from emissions and discharges of industrial wastewater, and to determine the processes and technology required to reduce all emissions and to recycle the industrial waters and other waste coming out from the plant. TPP Kosovo B must have all necessary paperwork regarding the scale and technology necessary for such environmental improvements, to ensure that it has the basis for the procurement and contracting of necessary services and works for such investments.

In order to meet these objectives, a study must be carried out in order to produce the following:

- An assessment of the level of contamination by dust and gaseous emissions, technological measures and the level of the investment required to reduce such emissions.
- An assessment of the volume and content of discharged wastewater and technological measures and level of investment required for the processing and recycling of such wastewater.
- An assessment of the remaining useful lifetime of the pipeline system and integral steam pipe system with all relevant technical and financial investment recommendations for the steam boiler.
- An assessment of the remaining useful lifetime of the condensation equipment, water cooling system, water supply system and 6.3kV electrical equipment, technological measures and the level of required investment to rehabilitate te condensation equipment, water cooling, water supply and 6.3kV electrical equipment..
- Other necessary assessment related to the remaining part of the plant that is important for safe and reliable operation of the power plant until the end of its lifetime.

Additional investment will be needed for TPP Kosovo B to comply with European emission standards, especially with the Directive on industrial emissions 2010/75/EU. The current level of dust emissions according to KEK own measurements in Kosovo power plant is approx. 665mg/Nm³ while it should be under 20 mg/Nm³ (allowed values). Average quantity of SO₂ emissions is 678 mg/Nm³, and it shouldn't be higher than 200 mg/Nm³ (allowed values). Average quantity of NO_x emissions is 835 mg/Nm³ and it shouldn't be higher than 200 mg/Nm³ (allowed values).

The studies to be produced under the umbrella of this action will form the basis for the refurbishment of both Kosovo B units and the sustainable generation of electricity in Kosovo, in order to improve the living conditions of its citizens.

The affected stakeholders are the citizens of Pristina district and in particular municipalities of Obiliq/Obilic and Fushë Kosova/Kosovo Polje.

RELEVANCE WITH THE IPA II STRATEGY PAPER (OR MULTI-COUNTRY STRATEGY PAPER) AND OTHER KEY REFERENCES

Security of supply, promotion of investments in the sector, environmental protection and further development of the energy market are the main strategic goals of the new EU Strategy on Energy. A number of important objectives derive from these goals, including the so-called 20% - 20% - 20% target. Kosovo's aim is to approach the EU by considering the EU energy *acquis*. This requires Kosovo to implement the EU 20-20-20 targets which require by 2020: A reduction of greenhouse emissions by 20%, an increase of the share of renewable energy in energy consumption by 20%, and a 20% increase in energy efficiency.

This action will contribute toward the reduction of environmental impacts of the energy sector in Kosovo by providing technical assistance for the decommissioning of Kosovo A power plant and for the improvement of environmental, operational and technical aspects of the operation of TPP Kosovo B. As such, this action is in line with the strategic objectives of the Kosovo Country Strategy Paper 2014 – 2020, strategic objectives of Kosovo's energy sector strategy and policies on environmental protection from energy sector activities presented in the Energy Strategy of the Energy Community.

SECTOR APPROACH ASSESSMENT

Kosovo has established the basic institutions in the energy sector, including the Ministry of Economic Development, the Energy Regulatory Office and the Independent Commission for Mines and Minerals. Key energy enterprises in the sector are: Kosovo Energy Corporation (KEK), Kosovo Electricity System, Transmission and Market Operator (KOSTT), Kosovo Electricity Distribution and Supply Company (KEDS), Central Heating Utility (Termokos, Gjakova, Mitrovica and Zvecan), Hydropower Plants (HP) Ujmani, Lumbardhi, Radavci, Dikanci and Burimi.

Kosovo has developed a considerable number of laws and other bylaws regulating the energy sector. Laws are mainly drafted in accordance with the EU energy *acquis*.

As Kosovo is an ECT contracting party, it has adopted policies for the development of the energy sector on the basis of obligations arising from ECT. An important role in this regard lies with the treatment of environmental impact of the power plants and remedy measures to be undertaken in order to reduce the GHG emissions to the limit values set in the Directive on large combustion plants and in the Directive on industrial emissions. Part of the activity to decommission the whole Kosovo A power plant is the decommissioning process of gasification and fertilizer plants, district heating and other facilities, the dismantling of which does not prevent the normal operation of active TPP Kosovo A units, and carrying out of the feasibility study for TPP Kosovo B.

The main document which sets the energy sector development policies in Kosovo is the Energy Strategy 2009-2018. The final draft Strategy 2013-2022 is currently under review. The Heating Strategy 2011-2018, the National Action Plan for Renewable Energy Sources 2011-2022 and the National Energy Efficiency Action Plan (NEEAP) 2010-2018 are all developed on the basis of this key policy document for the energy sector.

As part of obligations under the Energy Community Treaty, Kosovo is committed to comply with the EU environmental *acquis*, including:

- (i) Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment, as amended by Council Directive 97/11/EC and Directive 2003/35/EC
- (ii) Council Directive 1999/32/EC relating to a reduction in the sulphur content of certain liquid fuels and amending Directive 93/12/EEC to be implemented by end of 2011.
- (iii) Directive 2001/80/EC on the limitation of emissions of certain pollutants into the air from large combustion plants (LCPD), to be implemented by end of 2017.
- (iv) Article 4(2) of Directive 79/409/EEC on the conservation of wild birds to be implemented on the entry into force of the Treaty.

Three working groups for decommissioning have been established by the Government of Kosovo on 19 December 2013. Their task is to coordinate activities with relevant institutions and closely monitor the implementation of the decommissioning process. In order improve the coordination of activities related to the process, the Kosovo Energy Corporation (KEK) has established a separate department

which will cooperate with the working groups and the experts of this action that are expected to be engaged in the process of decommissioning of the facilities and equipment in the compound of Kosovo A power plant.

Activities for the implementation of this action will be focused on the implementation of the Government decision on the decommissioning and dismantling of facilities that are at the site of TPP Kosovo A, but which do not prevent the normal operation of units producing electricity, including gasification, fertiliser plants, heating and other facilities, as well as the implementation of the feasibility study on TPP Kosovo B.

The action, planned to be carried out under the IPA 2 framework, on the decommissioning and feasibility study for TPP Kosovo B, is in full compliance with the policies established in the Energy Strategy and the Country Strategy Paper for Kosovo 2014-2020. All activities, from the planning stage and up to the implementation and monitoring of the completion of the action, will be implemented in close cooperation with the EU Office in Kosovo.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

In the past ten years, many studies have been funded by the European Union, and various consultants have been appointed to identify problems in the energy sector and propose solutions that will improve and develop this sector in future. As part of studies conducted, the technical, economic and social issues have been addressed as well.

Although some studies and analyses have already been performed, (Study for Decommissioning of Kosovo-A Power Plant, March 2010; Kosovo A Power Plant Decommissioning Study Workforce Redevelopment to Minimise Negative Socio-Economic Impact, 2010; Further support on Kosovo A TPP decommissioning process, November 2012; Clean Up of a Gasification Plant Site -Site Investigations, Feasibility Study, Conceptual Design and Environmental Management Plan August 14, 2009), there is a need for additional studies and analyses on certain areas of this process, especially on the area of the environmental pollution and its mitigation.

Considering the complexity of the processes that need to be analysed, the appointed experts should have extensive experience in these fields and all relevant trainings on the decommissioning process must be provided in order to ensure that in future Kosovo will have all necessary capacities to implement and develop similar decommissioning and dismantling processes of major energy plants and facilities.

2. INTERVENTION LOGIC

LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	
To support the energy sector in Kosovo in ensuring compliance with the requirements of the Energy Community Treaty.	<p>The EU Directive for large combustion plants and the EU Directive for industrial emissions are implemented in the existing power plants Kosovo A and Kosovo B.</p> <p>Reduction of Greenhouse Gas (GHG)</p> <ul style="list-style-type: none"> ➤ CO2 reduction by approx. 1 million ton by 2018; ➤ Other pollutants reduction by approx. 30% by 2018. 	<p>Annual European Commission Progress Reports for Kosovo.</p> <p>European Partnership Action Plan.</p> <p>Energy Strategy.</p> <p>Study report “Further Support for the Decommissioning Process” – Financed by EU in 2012.</p>	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
To improve the environment, to support the Government of Kosovo and other stakeholders in relation to the decommissioning process and the feasibility study for TPP Kosovo B, to strengthen institutional capacities.	<p>Completed studies and other documents necessary for the dismantling process.</p> <p>Professional capacities associated with the decommissioning process are improved.</p>	<p>WG Annual Reports on the Decommissioning Process.</p> <p>Different reports prepared by KEK including monthly and annual reports from Kosovo B TPP.</p> <p>Contractors’ Reports.</p>	<p>Continued Government support to the established mechanisms for the Decommissioning Process.</p> <p>Contracting of specialised companies for such activities will significantly impact the quality of the implementation action.</p> <p>Provision of sufficient funds to implement the recommendations and measures deriving from such activities.</p>

			Government and KEK will allocate sufficient resources to timely and correctly implement the action.
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
<p><i>Results for the decommissioning process of Kosovo A TPP:</i></p> <ul style="list-style-type: none"> ➤ Professional capacities are built. ➤ Manual on the legal procedures for the decommissioning process is prepared. ➤ Procedure for requiring permits relevant for the decommissioning process is defined. ➤ The study on the decommissioning of facilities is performed. ➤ The detailed work and security plans for the dismantling of facilities are prepared. ➤ The Tender Dossier for dismantling and cleanup of the location with all other relevant documentation required for the tender are prepared. ➤ Environmental and Social Impact Assessment Report (ESIA) and other required reports for the facilities to be decommissioned are prepared and submitted. ➤ The project for the construction of the landfill for the waste generated by the decommissioning process is designed. ➤ Infrastructure and terrain adjustment projects after the dismantling is completed. ➤ Supervision of the implementation of the dismantling process is completed. <p><i>Results for the feasibility study on Kosovo B TPP:</i></p> <ul style="list-style-type: none"> ➤ Study on technological, operational and financial measures to reduce the environmental pollution from TPP Kosovo B is completed. 	<p><i>OVI for the decommissioning process of Kosovo A TPP:</i></p> <ul style="list-style-type: none"> ➤ Legal framework for the decommissioning process is completed and harmonised with the acquis on environment as required in the Energy Community Treaty. ➤ The required permits including the procedures relevant for the decommissioning process are defined. ➤ Feasibility study on the decommissioning process and the manual on the legal procedures are completed and delivered. ➤ Dismantling plan of facilities and addressing the related social impact, including the security plan is completed and submitted. <p><i>OVI for the feasibility study on Kosovo B TPP:</i></p> <ul style="list-style-type: none"> ➤ The actual pollution and contamination level from Kos B TPP is defined. ➤ The financial and technological measures for revitalisation of Kosovo B units are defined. 	<p>Regular progress and other reports of the contractor(s).</p> <p>Regular quarterly reports of the Working Groups.</p> <p>Different KEK reports related to Kosovo B TPP production and other operational details.</p>	<p>Continue of the Government's and KEK support to the mechanisms established for the decommissioning process.</p> <p>KEK continues in making available all necessary data and details relevant for a proper implementation of the activities.</p> <p>Continue of the Government's support to improve the security of the power production and pollution from Kos B TPP.</p>

<ul style="list-style-type: none"> ➤ Study on the remaining operation lifetime of the units and the technical, financial and technological measures for the revitalisation of TPP Kosovo B units is completed. 			
ACTIVITIES	MEANS	OVERALL COST	ASSUMPTIONS
<p><i>Activities for the decommissioning process of Kosovo A power plant:</i> All necessary services to support the process of the decommissioning of Kosovo A TPP (but not limited to) such as:</p> <ul style="list-style-type: none"> ➤ Analysis of the existing legislation and drafting the necessary legal amendments for implementation of the decommissioning process. ➤ Preparation of the manual for relevant legal procedures for the decommissioning process, to serve also for the decommissioning of other large industrial facilities. ➤ Prepare the necessary documentation to obtain environmental permits, dismantling permits, permits for the export of hazardous waste. ➤ Carry out of the feasibility study for the decommissioning and dismantling of facilities which will contain all necessary components and analyses, including costs and the work plan for the implementation of the decommissioning. ➤ Drafting of a detailed plan for the dismantling of facilities and treatment of workers after the decommissioning process, including a detailed security plan. ➤ Preparation of Tender Dossier for the dismantling and clean-up of the location. ➤ Preparation of the study for EIA for the facilities and equipment that will be decommissioned. ➤ Preparation of the project for the construction of a landfill facility for the waste generated from the decommissioning process. ➤ Preparation of the project infrastructure and regulation of the terrain after the decommissioning is performed. ➤ Supervision of the dismantling and the entire process of the decommissioning of non-functional facilities and equipment in the location of Kosovo A TPP. 	<p>These activities will be completed through two services contracts that will include professional capacity building, necessary studies and preparation of the tender dossier and the supervision of the implementation of concrete decommissioning works.</p>	<p>EUR 3 million in total, with two main components: Technical support to the decommissioning process of Kosovo A TPP Feasibility Study on Kosovo B TPP</p>	<p>The Beneficiary/MED and KEK allocate sufficient professional staff to the activities of the action regarding the decommissioning process and the feasibility study for Kos B TPP.</p> <p>KEK allocate sufficient professional staff during the supervision of the dismantling works.</p> <p>Relevant EU Office staff mobilised for the action monitoring.</p>

<p><i>Activities for the feasibility study of Kosovo B power plant:</i></p> <p>All necessary assessments and services needed for the preparation of the Feasibility Study on Kosovo B TPP in terms of (but not limited to):</p> <ul style="list-style-type: none">➤ Collection of data and parameters needed for the study, analysis of appropriate environmental technologies and proposal for technical and financial resources to achieve the objectives.			
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ADDITIONAL DESCRIPTION

The decommissioning and dismantling process under this activity will initially be carried out in accordance with the Government Decision No. 04/156 and will focus on the gasification and fertilizer plant facilities, heat plant and a few other facilities at the Kosovo A power plant site. The decommissioning of these facilities will not have any impact on the operation of the electricity generating Kosovo A power plant units. The feasibility study for Kosovo B will provide opportunities for the necessary technical and environmental investment in Kosovo B, for the revitalisation of units in the period 2017-2018.

The benefits of these studies will be that they will form the basis for the implementation of two major power generation and environmental projects in Kosovo in order to fulfil the environmental requirements of EU Directives.

Kosovo will benefit from the professional experience gained during the implementation of the proposed action, clean environment in the affected areas and will also actively participate in the implementation of the environmental standards under the ECT and relevant EU directives. In parallel, the implementation of this action will allow the EU to support the implementation of its environment policies and will create opportunities to use such developments to generate further jobs and economic development.

The decommissioning process of the gasification and fertilizer plants, heat plant and other facilities at the location of TPP Kosovo A must be developed initially through the preparation of studies and technical documentation and training of the staff involved in the preparation and implementation of the action. Following that, the dismantling of equipment can take place.

Various options for the clean-up of demolished areas and the removal of material and debris should be explored in the studies including the filling of construction pits with recycled construction materials. Furthermore, the treatment of residuals (concrete, brick etc.) should preferably take place in a specific location that uses mobile crushing and recycling equipment, but also in a location where potential usable materials could be deposited (e.g. ash landfill or coal exploitation field assuming that sufficient space is available). In addition, appropriate security measures should be applied when dismantling all technical equipment and facilities. These include rules for safe dismantling, in accordance with environmental and health protection standards, fire protection measures and measures to prevent unauthorized entry on site.

The above indicated issues should be considered during the preparation of the proposed studies and other documents necessary for the decommissioning of gasification and fertilizer plants, heat plant and other facilities on location of the Kosovo A power plant.

Security measures for the clean-up activities include the following:

- Suspension, disconnection and dismantling of all installations (including water, heat, electricity, compressed air, fuel, etc.)
- Emptying and cleaning of components found in installations and equipment (tanks, various caches, etc.) and disposal of residual materials, such as fuels, lubricants, chemicals, etc.
- Implementation of measures to avoid fire or explosion possible outbreaks of dangerous substances,

Most appropriate modes and routes for the actions, and specific standards in order to prepare these measures will be selected.

The drafting of the feasibility study for TPP Kosovo B will produce a technical and financial overview of investments necessary to meet the environmental criteria and documentation necessary for investments regarding the revitalisation of equipment and systems of Kosovo B units important for safe and reliable operation until the end of their life time.

Contractors with appropriate expertise and experience in drafting of these documents will be engaged. The pool of experts engaged on this action shall include (but will not be limited to) environmental

experts, experts in lignite-fired power plant technologies, metal-structure demolitions, etc. In addition, economic experts who can provide economic justification for the investments needed to revitalise the units will also be engaged.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

Main stakeholders responsible for the implementation of these activities are the Ministry of Economic Development and KEK, as the main beneficiaries of the action. Other institutions will also be involved, relative to the scope of their engagement, including: Ministry of Environment and Social Planning (MESP), Ministry of European Integrations (MEI), Ministry of Labour and Social Welfare (MLSW), Ministry of Finance (MF) and the Energy Regulator Office.

Office of the European Union in Kosovo will play an important role cooperating with local institutions and other mechanisms established for the implementation of this action. Other mechanisms which will be included in this process are: three inter-institutional working groups established by the Government of Kosovo for the decommissioning process, KEK Decommissioning Unit, Kosovo A and Kosovo B TPPs. The municipality of Obiliq/Obilic will also be involved, as the action will be implemented on the territory of this municipality.

IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING

The method to be used for the implementation of the action will be through the joint work of experts and EU institutions in Kosovo. Type of financing will be in the form of technical assistance from the EU funds through IPA 2014.

The implementation duration of the action is expected to be 36 months.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

Monitoring of the action (also from a gender point of view) will be performed on the basis of EU and European Commission procedures for monitoring. The action may be evaluated at the interim or ex-post stages.

The action will be monitored and possibly evaluated by the following:

- Regular reports produced by the Working Groups regarding the progress of the decommissioning Process,
- Regular reports produced by KEK regarding the progress of the decommissioning Process and feasibility study for Kosovo B,
- Regular progress reports produced by the Contractor,
- Commission's regular progress report on Kosovo,
- Government's reports on the implementation of the EU Partnership/Action plan for Energy
- MED's action plan on the decommissioning process,
- Monitoring reports prepared by the Energy Community Secretariat (for the European Commission and Ministerial Council of the Energy Community),
- Different reports and data relevant to the decommissioning process and feasibility study on Kosovo B published on the web site of MED, KEK etc.
- MESP reports on environmental issues related to the decommissioning process,
- Conclusions of STM meetings,
- Other reports and documents relevant for the decommissioning process of Kosovo A TPP.

INDICATOR MEASUREMENT

Indicator	Description	Baseline (2014)	Last available (2014)	Milestone 2017	Target 2020	Source of information
<p>Reduction of Greenhouse Gas (GHG)</p> <ul style="list-style-type: none"> CO2 reduction by approx. 1 million ton by 2018; Other pollutants reduction by approx. 30% by 2018 <p>(Overall objective)</p>	Meeting Energy Community Treaty requirements related to environmental acquis (Large Combustion Plants Directive and Industrial Emissions Directive).	<p>CO2: approx. 7,1 million ton/year</p> <p>Other pollutants (SOx, NOx, Dust): approx. 38000 ton/year</p>	<p>CO2: approx. 7,1 million ton/year</p> <p>Other pollutants (SOx, NOx, Dust): approx. 38000 ton/year</p>	<p>CO2: approx. 6,1 million ton/year</p> <p>Other pollutants: approx. 27,000 ton/year</p>	<p>CO2: approx. 7,6 million ton/year</p> <p>Other pollutants: approx. 22,000 ton/year (including new power plant) r</p>	<p>2nd National Energy Efficiency Action Plan.</p> <p>Energy Community implementation report for Kosovo.</p> <p>Note: The CO2 emissions forecast for 2020 is higher than in 2017 because of the new coal fired power plant expected to be operational by 2020 upon decommissioning of Kosovo A units, whereas other pollutants from the new power plant will be significantly lower due to compliance with Industrial Emissions Directive.</p>
Action outcome indicator 1 (Specific objective)	Completed studies and other documents necessary for the dismantling process.	N/A	N/A	Indicatively 90% of the Action Plan implemented	100% of the Action Plan implemented	WG Annual Reports on the Decommissioning Process, different reports prepared by power company/KEK and the contractors' reports.
Action outcome indicator 2 (Specific objective)	Professional capacities associated with the decommissioning process are improved.	N/A	N/A	Indicatively 90% of the Action Plan implemented	100% improved professional capacities.	WG Annual Reports on the Decommissioning Process, and the contractors' reports.

5. CROSS-CUTTING ISSUES

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

With regard to the environment, this is one of the target sectors of the proposed intervention. All environmental laws, regulations and directives that are in force in Kosovo and that are directly linked to the action in question are taken into account in designing the action proposal. The Law on Environmental Protection, Law on Air Protection, Law on Environmental Impact Assessment, the Law on Waste, etc. the decommissioning process of Kosovo A and the retrofit of Kosovo B plant to comply with ECT requirements will contribute to improvement of the air quality and reducing the soil and underground waters pollution in Pristina district and in particular in Obiliq/Obilic and Fushe Kosova/Kosovo Polje municipalities.

ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER NON-STATE STAKEHOLDERS)

Discussion with the civil society has taken place throughout the drafting process of the energy strategy. The implementation process of the action will also include the community located in the vicinity and the civil society, through the public discussions and campaigns to be developed. It will enable an easier access to public discussions, reviewing and taking into account comments and suggestions from the community where TPP Kosovo A and B are located. The media will also be part of the activity, which will inform the public on the implementation of the action. All activities will be implemented as per the Kosovo Law in close cooperation with the related Municipalities.

EQUAL OPPORTUNITIES AND GENDER MAINSTREAMING

The Government is fully committed to a policy of equal opportunity. The design and the implementation of the action will be transparent. All necessary steps will be considered to ensure the equal participation of men and women. It is important to mention that the partner the Government and KEK as a beneficiary are also particularly sensitive to equal opportunity and gender related issues both in the form of specific focus in some of the investments supported and through mainstreaming and impact assessment approaches in the supported actions.

MINORITIES AND VULNERABLE GROUPS

In all activities during the design and implementation of action, necessary steps will be taken to ensure that the rights of minorities and vulnerable groups are properly taken into account.

6. SUSTAINABILITY

The implementation of these activities that are comprised of two components, represent a good basis for the implantation of major energy and environmental projects in Kosovo with the aim of fulfilling the environmental criteria in line with relevant EU Directives.

Related to the decommissioning process, Kosovo will benefit from a professional technical assistance, the implementation of the action will result in a cleaner environment and the action will also contribute to the implementation of the ECT and EU environmental standards. This will lay the foundations for future actions that would clear the area from buildings and facilities that are no longer in use and which pollute the environment, in part due to hazardous materials used.

The cleared area may be designated for other purposes creating new employment and business development opportunities. The implementation of the study on TPP Kosovo B will create an opportunity to adequately plan investments into the improvement of environmental standards and technologies which will essentially improve the stability and security of electricity generation. In addition, the action is supporting the implementation of EU environmental and energy policies contributing to long-term sustainable economic and social development.

7. COMMUNICATION AND VISIBILITY

Communication with all relevant stakeholders, the local community and civil society will be done through the organisation of workshops, by presenting data on the implementation of the action in the media and on the websites of the Ministry for Economic Development and KEK.

Communication and visibility will be given high importance during the implementation of the Action.

The implementation of the communication activities shall be the responsibility of the beneficiary, and shall be funded from the amounts allocated to the Action.

The EU Office in Kosovo has developed clear visibility guidelines and ensures that all projects which are implemented in Kosovo are fully in line with these guidelines. The visibility of this action is also clearly stipulated in all contractual documents whereby the contractors/implementers are obliged to adhere to all EU visibility requirements, as stipulated in the Communication and Visibility Manual for EU External Actions.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed objectives of the programme and the accession process. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions. Visibility actions should also promote transparency and accountability on the use of funds.

It is the responsibility of the beneficiary to keep the EU Office fully informed of the planning and implementation of the specific visibility and communication activities.

The beneficiary shall report on its visibility and communication actions in the report submitted to the IPA monitoring committee and the sectoral monitoring committees.