

# Open Regional Fund for South-East Europe: Energy, Transport and Climate Protection

## Context

The countries of the Western Balkans are seeking membership to the EU which requires harmonisation of legislation and policies in several sectors, including energy and transport. Therefore, the countries are obligated to achieve the EU energy and climate goals, which stipulate a reduction in CO<sub>2</sub> emissions of 40%, a share of renewable energy sources in energy consumption of at least 32% and an indicative energy efficiency target of at least 32% energy savings by 2030.

At the local level, challenges such as rapid urbanisation levels at the overall rate of 58% and growing (data from 2020) put pressure on the existing infrastructure and contribute to negative climate impacts. Cities in the region are thus facing air pollution and urban sprawl leading to explosive use of private transport and the use of fossil fuels (e.g., coal) for heating. In addition, the population faces noise, traffic congestion and increased land consumption.

While some cities in the region have already drawn up plans for the sustainable use of energy as well as for sustainable urban mobility, there is still a lack of capacities to implement them. Yet, these stakeholders need to play a pivotal role in achieving national and regional climate targets, as well as in urban design, climate resilience and disaster preparedness, mobility and energy. Several institutions and initiatives – governmental and non-governmental – can contribute to significant improvements in these fields, among them the Covenant of Mayors for Climate & Energy Initiative.

## Our approach

This project is co-funded by the European Union and the German Federal Ministry for Economic Cooperation and Development. BMZ has commissioned the ORF-ETC in 2020 and funds its implementation with EUR 5 million in total. Under the name “EU4Energy Transition: Covenant of Mayors in the Western Balkans and Türkiye”, the European Union co-funds the ORF-ETC

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| Name              | Open Regional Fund for South-East Europe – Energy, Transport and Climate Protection              |
| Commissioned by   | Federal Ministry for Economic Cooperation and Development (BMZ); co-funded by the European Union |
| Countries         | Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, Serbia                    |
| Political partner | Regional Cooperation Council (RCC)   |
| Duration          | 1 August 2020 to 30 September 2025   |
| Project value     | 10 million euros   |

\*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

since 2021 with EUR 5 million in total for implementation in the Western Balkans. The co-funding from the EU is used to widen the scope of activities supporting municipalities, which are organised in the globally active Covenant of Mayors initiative, to develop and implement local Sustainable Energy and Climate Action Plans. In addition, with funds from the EU and the BMZ, the ORF-ETC promotes multi-level governance approaches on climate protection, energy, and sustainable urban mobility in the Western Balkan countries. In Türkiye, the “EU4 Energy Transition: Covenant of Mayors in the Western Balkans and Türkiye” project is funded by the EU with EUR 3 million and implemented by the Lithuanian Central Project Management Agency (CPMA).

The project focuses on building capacities for the planning and implementation of decarbonisation measures in the energy, climate and transport sectors that are recommended in EU-compliant strategies and action plans. In the partner countries, the ORF-ETC uses a multi-level approach and cooperates with national institutions (energy, transport and environment ministries), and



the parliaments, as well as with local institutions (cities and municipalities and their associations). Cooperation is also promoted through already established regional networks, such as the Energy and Transport Community, a network of the environment and energy ministries, municipal networks such as the EU Covenant of Mayors for Climate and Energy, and the network of civil society organisations, School of Political Studies.

## Our objectives

The objective of the ORF-ETC is as follows: *“The added value of regional cooperation for the implementation of selected energy and transport measures in the Western Balkans is improved”*

The project focuses on four fields of action:

- Improving the foundations for concerted action between national and local institutions in the areas of sustainable energy, sustainable urban mobility and climate protection (multi-level governance).
- Improving regional cooperation between municipalities in the implementation of sustainable urban mobility plans (WB6 countries only).
- Strengthening the capacity of parliamentarians to promote the implementation of the EU's energy and transport agenda in the region (WB6 countries only).
- Improving regional cooperation between municipalities in the development and implementation of local sustainable energy and climate plans, so-called SECAPs.

The ORF ETC has for its aim improving the basis for joint concerted action by the Western Balkans to decarbonise the energy and transport sectors at the national level and to promote coherent policymaking at various levels through the involvement of local authorities.

In this sense, the project aims to integrate and jointly consider National Energy and Climate Plans (NECPs) as well as local action plans for sustainable energy and climate protection (SECAP) and their implementation.

The transfer of best practices for the implementation of sustainable mobility plans (so-called SUMPs) is ensured through regional cooperation between selected cities and municipalities. It is important to consider the basic principles of sustainable urban

mobility planning, such as an inclusive approach to transport modes, the involvement of civil society and the consideration of citizens' interests, and cooperation across institutional boundaries.

Parliamentarians from the Western Balkans are empowered to promote the EU's energy, transport or climate protection goals from the Green Agenda for Western Balkans in a professional sound manner within the sphere of their influence. The central connecting point is the so-called informal "Green Parliamentary Groups", which have already been established or are to be established in the parliaments, which act in a cross-party manner. In these activities, the civil society organisations, Schools for Political Studies in the Western Balkans act as intermediary.

## Results

The project builds on the results of its predecessors, especially the previously implemented Open Regional Fund for South-East Europe – Energy Efficiency, and after successfully established regional networks, focuses on the implementation of relevant measures important for the EU approximation process.

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*The United Nations Sustainable Development Goals (SDGs) that the Project focuses on in its implementation are:*



Published by Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH  
Registered offices Bonn and Eschborn, Germany  
  
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Energy, Transport and Climate Protection  
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As at

12/2024

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GIZ is responsible for the content of this publication. This publication was produced with the financial support of the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ). Its contents are the sole responsibility of GIZ and do not necessarily reflect the views of the EU or the BMZ.

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Development (BMZ) and the European Union