MEMORANDUM OF UNDERSTANDING (MoU)

Between

Ministry of Economic Development (MoED)/ Kosovo Energy Efficiency Agency (KEEA)
Hereinafter referred to as “MoED/KEEA”

and

Ministry of Culture, Youth and Sport
Hereinafter referred to as “Beneficiary”

For

KOSOVO ENERGY EFFICIENCY AND RENEWABLE ENERGY PROJECT

Article 1
Introduction

The Ministry of Economic Development (MoED), acting on behalf of the Republic of Kosovo, has received a credit from the World Bank, to implement the Kosovo Energy Efficiency and Renewable Energy Project (KEEREP). As requested by the Government, a credit has been allocated to contribute to the improving of energy efficiency in selected public buildings. The Project consists of three components that include: (i) EE and RE investments in public buildings; (ii) RE and EE policy and regulatory support, as well as related RE resource assessments; and (iii) project implementation support.

Under the project the interests of the MoED will be represented by Kosovo Energy Efficiency Agency (KEEA), which will play a role of so-called Project Implementation Unit (PIU). It means that whole performing of the Project will be entrusted to the KEEA by the MED.

Using an open, competitive process, KEEA will call for proposals (applications) from line ministries across the country and select candidates to participate in the program.

The program would provide financing for EE projects (“subprojects”) in public buildings (e.g., hospitals, university buildings or other central government buildings) with proven energy savings and social co-benefits.). This includes:

- Detailed energy audit including financial model;
- Technical design;
- Civil / installation works and relevant goods and equipment;
- Supervision of works.

The building for which will be introduced EE measures for 2015 is the building of Ministry of Culture, Youth and Sport in Prishtina

**Article 2**

**Objective**

The overall objective of this agreement is as follows:

This document serves as the Memorandum of Understanding (MoU) between the selected line institutions and the MoED. It lays out the various roles and responsibilities of the two parties in performing the KEEREP.

**Article 3**

**Functions of Ministry of Economic Development (MoED)**

1. **Responsibilities of MoED**
   1.1 Overall project coordination and supervision
   1.2 Ensuring of sound management as well as transparent performing of the KEEREP

**Article 4**

**Functions of Kosovo Energy Efficiency Agency (KEEA)**

1. **Responsibilities of KEEA**

   1.1. Explain the program process and procedures to the municipality and participating institutions.
   1.2. Visit the facilities to be retrofitted to verify basic data, assess buildings’ structural status, and verify participating institutions’ commitment to the program.
   1.3. Managing the energy auditing consultant and process and ensuring that the proposed measures are feasible and agreed by the beneficiary. Identifying additional non-EE measures that are recommended to ensure effective operation of the building.
   1.4. Discussing the final scope of the renovation and designs with the beneficiary and agreeing on which measures will be made for EE, which non-EE measures the beneficiary will make and coordinating these.
   1.5. Complete all procurement, following World Bank procurement guidelines, for a licensed and qualified firm to develop a project design and bidding documents.
   1.6. Complete all procurement, following World Bank procurement guidelines, for a licensed and qualified firm to purchase the goods and materials, construct the project and arrange for a post-project commissioning.
   1.7. As appropriate, arrange for construction supervision and ensure that any hazardous materials are disposed of according to Kosovo laws and World Bank requirements.
   1.8. Verify delivery of the project per the agreed design and assess actual energy savings impacts from the retrofitted measures.
   1.9. Obtain a final approval from the line ministries and participating institution of the final project commissioning report.
1.10. Providing of technical assistance to the representatives of the line ministries on the issue of preparation, implementation and sustainability maintenance of the implemented subprojects,

1.11. Providing of technical assistance to the representatives of the line ministries on the process of pre-planning organization and elaboration of energy audits for selected buildings,

1.12. Mentoring and facilitation of the implementation of the energy saving plans elaborated with KEEREP support,

1.13. Continuous maintenance of an exchange of experience between the beneficiaries by making visits and allowing access to already implemented subprojects,

1.14. Providing of financial support in implementation of the subprojects/credit applications submitted by Line Ministry administration, according to KEEREP procedures,

**Article 5**

**Functions (responsibilities) of the Ministry of Culture, Youth and Sport (beneficiary):**

1. **Responsibilities of beneficiary are:**

   1.1 Organization of the Project promotion process at the level of district and communities,

   1.2 Monitoring of the beneficiaries on the issue of time delays and implementation stages,

   1.3 Appoint a person as point of contact/facility coordinator for all project phases;

   1.4 To provide and facilitate access to its own premises for persons/entities hired by MED/KEEA for implementation of energy audit, design, civil works and supervision;

   1.5 To provide necessary information/documentation for KEEA/PIU and contracted company during project design phases;

   1.6 To agree with MED/KEEA on the scope of the renovation prior to the finalization of the designs and mobilize funding, as needed, for complementary non-EE measures to ensure complete renovation of the facility;

   1.7 Should the building be on the list of Kosovo Cultural Heritage, the beneficiary will submit the proposed renovation design and arrange for the necessary approvals and permits prior to procurement of the construction firm;

   1.8 In cooperation with the construction company to facilitate obtaining of all necessary permissions and authorizations for design and construction works;

   1.9 To contribute to supervision of works by independent supervisor and to countercheck and approve statements of works performed;

   1.10 Propose and take a decisions for further treatment of non-hazardous materials (doors, windows, radiators, etc) that will be decommissioned/removed;

   1.11 Propose and facilitate on creating temporary storages for new construction materials as well as removed materials from facility;

   1.12 To ensure that renovated facilities are operational, to maintain the equipment as applicable and to ensure equipment integrity and protect against theft, including providing training to staff/occupants to ensure proper operations and avoid overheating and other excess energy use;
1.13 To participate in exchange of experience in energy efficiency development as performed from KEEA and to provide actual information on energy efficiency impact, including possibly participating in workshops to share results, World Bank and government site visits, press events, etc.;
1.14 To ensure project sustainability maintenance.
1.15 Providing of necessary assistance in preparation and approval of necessary documents for the subprojects implementation, free of charge and within optimal periods of time,
1.16 Creation of necessary conditions for the organization of trainings and competitions for performing beneficiaries,
1.17 Assistance of the beneficiaries in the process of subprojects preliminary and final handover,
1.18 Assurance of an exchange of experience in energy efficiency development among the localities from the district and promotion of positive practices replication,
1.19 Contribution to the renovated objects sustainability maintenance and their further development.
1.20 Participate as requested in pre- and post-project surveys to document impacts of project.

**Article 6**

Down signed parties of this Memorandum of Understanding agrees that with understanding, negotiation and consultation will solve all contested issues that might arise during implementation of this Memorandum of Understanding.

**Article 7**

This Memorandum of Understanding enters into force at the same date when it is signed.

**Nazim Zenelić, General Secretary**  
Ministry of Economic Development

**Veton Firiz, General Secretary**  
Ministry of Culture, Youth and Sport

Prishtinë, date 11.07.2015