

## Policy and Legal Advice Centre (PLAC III)

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### Terms of Reference (ToR) for a Short-Term assignment

<b>Technical assistance requested:</b>	1 (one) Senior Non-Key Expert in the area of Negotiating Ch.15: Energy; Support mechanisms for renewable energy sources
<b>Project Title:</b>	Policy and Legal Advice Centre (PLAC III), Serbia
<b>Ref:</b>	EuropeAid/139295/DH/SER/RS
<b>Service Contract No.:</b>	(CRIS) 2018/404-529
<b>Main beneficiary:</b>	The Ministry of European Integration of the Republic of Serbia and the Negotiating Team
<b>Target Beneficiaries:</b>	The Energy Agency of the Republic of Serbia (AERS); The Ministry of Mining and Energy
<b>Budget Line /Expert Category:</b>	One Senior Non-Key Expert
<b>Duration of the assignment:</b>	50 working days (WD), from June 2021 until October 2021

#### 1. Relevant background information

Background information in relation to PLAC III project:

The scope of PLAC III project is to provide support to relevant national institutions in charge of alignment of national legal acts with the Union *acquis* and to contribute to further building of capacities of relevant national structures for successful carrying out of accession negotiations.

The PLAC III project should achieve two results:

**RESULT 1-** Enhanced compatibility of national legislation with EU legislation and its effective implementation

**RESULT 2 -** Enhanced capacities of the relevant national structures for successful carrying out of accession negotiations

In general, the project aims at fostering the process of accession negotiations of the Republic of Serbia by supporting the effective alignment of national legislation with the Union *acquis* and its implementation and by further building the capacities of involved carriers of the EU integration process in the Republic of Serbia. After completion of screening process in 2015, Serbian public administration has entered into much more demanding and obliging exercise of accession negotiations, whereby each step and every decision should result in approaching actual membership in the EU. For this scenario to happen in accordance with planned dynamics, preparedness, adequate institutional capacity of public administration with highly

competent staff is of crucial importance. In the core period of the negotiations, PLAC III Project shall support domestic line institutions and the negotiating structures both in performance of quality operational work in relation to harmonisation process and in the effective coordination during various stages and phases in the process for different negotiation chapters.

## **2. Background information in relation to Chapter 15: Energy – Renewable Energy**

The objectives of EU energy policy are competitiveness, security of supply and sustainability. The energy acquis included in Chapter 15, Energy consists of rules and policies covering energy supply, infrastructure, the internal energy market, consumer protection, renewable energy, energy efficiency, nuclear energy, nuclear safety and radiation protection.

As per the “Screening Report Serbia – Chapter 15” (EC, 2014), Serbia has attained a high degree of alignment with the renewable acquis, although it will need further efforts to achieve its target in this area. In line with the Directive 2009/28/EC and Energy Community Ministerial Council Decision of 18<sup>th</sup> October 2012 (D/2012/04/MC-EnC), a binding goal of achieving a 27% share of renewable energy sources in gross final energy consumption in 2020 was set for the Republic of Serbia. For the purpose of achieving this target, among other activities, the National Renewable Energy Action Plan has been adopted (2013) and a support mechanism based on feed-in tariffs launched (2013). The latest Report on Implementation of the National Renewable Energy Action Plan (2018-2019) issued by the Ministry of Mining and Energy reveals that although a steady growth in building new capacities for the production of electricity from renewable energy sources (hereinafter: RES) was maintained in the last two years, the planned quantities have not been achieved (e.g. share of RES in GFEC in 2019 was 21.44% of the planned 25.6%).

In its Country Progress Report for 2020, EC noted further progress in transposing EU acquis on renewable energy, and reiterated lagging of Serbia behind the trajectory towards the 27% target, as well as the need to “intensify efforts to switch from feed-in tariffs to an auction-based scheme”.

In the Implementation Report 2020, the Energy Community Secretariat states that “in terms of target achievement, Serbia is lagging behind in all sectors: electricity, transport and heating and cooling”. Furthermore, the Secretariat recommended that “adoption of the necessary legal and regulatory framework to implement renewables auctions in line with the State Aid Guidelines<sup>1</sup>” should be one of the priorities for Serbia during the next reporting period (2021).

The 2018 revision of the EU Renewable Energy Directive (Directive 2018/2001/EU) foresees competitive procedures (e.g. market premiums, hereinafter: FiP) as standard direct instruments for granting RES support, allowing for use of feed-in tariffs (hereinafter: FiT) only in case of small-scale installations or demonstration projects. Such approach is fully in line with earlier issued EC Guidelines on State Aid for Environmental Protection and Energy and EC Guidance for the Design of Renewables Support Schemes (EEAG).

In order to further align with the Union acquis related to renewables and state aid, but also to address the slow penetration of RES in electricity sector, In early 2021, the Ministry of

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<sup>1</sup> Guidelines on State aid for environmental protection and energy 2014-2020, <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52014XC0628%2801%29>

Mining and Energy initiated drafting of a new Law on Renewable Energy (hereinafter: Law on RES). As per the draft Law on RES, both the FiP and the FiT are established on auctions, whereby AERS is empowered to adopt a methodology setting tariff design parameters for establishing the FiP in auction process (e.g. FiP caps, annual FiP adjustments, reference market prices), as well as a methodology setting tariff design parameters for establishing the FiT in auction process (e.g. FiT caps, annual FiT adjustments).

The assistance from PLAC III will contribute to further alignment with the Union *acquis* related to renewables and state aid (notably, the Renewable Energy Directive 2018/2001 and EC Guidelines on State Aid for Environmental Protection and Energy), but also to address the slow penetration of RES in electricity sector by introducing market-based support mechanisms at the lowest possible cost for the society. In addition to this, the selected experts' assistance will contribute to improved institutional capacity, in particular a higher level of knowledge of renewable energy support mechanisms in AERS, as its new competences on RES require establishing adequate organizational process in AERS for the first time.

At present, there are no on-going and/or planned assistance projects to AERS for the activities covered by this ToR.

### **3. Description of the assignment:**

#### **3.1 Specific objectives**

The specific objective of this assignment is to contribute to harmonisation with relevant EU policy and legislation on renewable energy and their proper implementation.

In the scope of this objective, these activities are foreseen:

1. Performing a review of the requirements of the Serbian legislation related to RES and Energy Efficiency against the Union *acquis* requirements (including EEAG) and EU best practice on FiP FiT support mechanisms for RES and high efficiency co-generation and draft a Report on findings including options for setting individual design parameters for both support mechanisms, pros and cons for each option and the recommendations which options to use for developing of methodologies.
2. Assistance to AERS in drafting four Methodologies - two methodologies for setting the design parameters for FiP auctions for RES and high efficiency co-generation respectively, and two methodologies for setting design parameters for Feed in Tariffs for RES and high efficiency cogeneration respectively, taking into consideration results and recommendations of the review performed under activity 1
3. Holding a workshop to presenting the results of the assignment

### 3.2 Requested services

**The Senior Non- Key Expert (SNKE) in the area of renewable energy is expected to provide the following services:**

1. Perform a review of the requirements of the Serbian legislation related to RES and Energy Efficiency against the Union acquis requirements (including EEAG) and EU best practice on FiP/ FiT support mechanisms for RES and high efficiency co-generation and draft a Report on the findings. The review report shall include identified options for setting individual design parameters for both support mechanisms, pros and cons for each option and the recommendations which options to use for developing of the methodologies.
2. Assist AERS in drafting two Methodologies: for setting the design parameters for FiP auctions for a) RES and b) high efficiency co-generation respectively, (e.g. FiP caps, annual FiP adjustments and other elements relevant for setting the market premium), taking into consideration results and recommendations of the review performed - see point 1.
3. Assist AERS in drafting additional two Methodologies for setting design parameters for Feed in Tariffs for a) RES and b) high efficiency cogeneration respectively (e.g. FiT caps, annual FiT adjustments and other elements relevant for setting the feed-in tariff), taking into consideration results and recommendations of the review performed – see point 1.
4. Prepare and hold a workshop to present and discuss the results of the assignment

### 3.3 Outputs

**Senior NKE** is expected to deliver the following outputs:

1. A draft review report with the options and recommendations as described under chapter 3.2. point 1
2. A draft Methodology setting the design parameters for RES FiP auctions
3. A draft Methodology for setting the design parameters for high efficiency co-generation FiP auctions
4. A draft Methodology for setting design parameters for RES Feed-in Tariffs
5. A draft Methodology for high efficiency cogeneration Feed in Tariffs
6. A Workshop held

### 3.4 Reporting

**The SNKE** shall provide the following reports by using the templates of the Project:

- **Final Mission Report**, no later than 1 week after completion of tasks under this assignment. This report will include description of all activities and outputs provided by the SNKE in the context of this assignment.

- A brief interim report - only upon a request of the PLAC III team: TL and/or KE2

Submission of reports:

- Draft mission report shall be submitted to the Team Leader of the Project for review and comments at the end of the mission.
- Final version of the mission report prepared in the agreed quality shall be submitted to the Team Leader of the Project for a review, comments, and the final approval.
- The reports shall be signed by the SNKE and the Team Leader, responsible for endorsing the reports.
- The reports and all prepared documents shall be submitted in a hard copy and electronic version to the Team Leader of the project.

### **3.5 Specifics**

The SNKE shall work under the guidance and follow the instructions of the Team Leader. The SNKE shall collaborate with the project team, other experts involved and representatives of the relevant beneficiary institutions.

Each of the short-term missions, the timing and duration shall be agreed with the Beneficiary and the PLAC team prior to each planned mission.

### **3.6 Expert input**

#### **3.6.1 Total working days**

50 working days (WD) in total have been planned for Senior Non-Key Expert for this assignment.

#### **3.6.2 Period of the assignment and Starting day**

It is expected that the work will be performed during several missions in the period from June 2021 until October 2021. However, the exact starting date will be confirmed at the later stage.

#### **3.6.3 Location/Place of assignment**

The SNKE has to deliver 100% of the input in Belgrade, Serbia, unless otherwise agreed due to extraordinary circumstances (i.e. COVID-19). Home-based days are subject to a prior approval by the EU Delegation Project Manager responsible for PLAC III project.

#### **3.6.4 Working language**

English.

## **4. Experts' Profile – Senior NKE (50 working days)**

#### **4.1 Qualifications and skills (25 points)**

- A level of education, which corresponds to completed university studies of at least 3 years attested by a diploma such as engineering, economy, finance or similar, relevant to the assignment
- Computer literacy
- Be proficient in report drafting
- Excellent communication and analytical skills
- Proficiency in English language
- Be independent and free from conflicts of interest in the responsibilities they take on

#### **4.2 General professional experience (25 points)**

- At least 8 (eight) years of general postgraduate professional experience related to the Union energy *acquis* (Ch. 15) gained in an EU member state, candidate, or potential candidate country.

#### **4.3 Specific professional experience (50 points)**

- At least 2 years of postgraduate professional experience in the state administration or as a consultant, working with the issues related to renewable energy policy
- Postgraduate professional experience gained in an EU Member State, candidate or potential candidate country working in designing a renewable support mechanism (FiP and/ or FiT), will be an asset.

### **5. Applications**

Applications (EU format CV and application letter in English) need to be submitted by e-mail to [mbayard@dmiassociates.com](mailto:mbayard@dmiassociates.com) and [ehoward@dmiassociates.com](mailto:ehoward@dmiassociates.com) no later than 4 June 2021, 17:00 hrs. titled:

**“Application for the position – Senior NKE in the area of Ch.15: Energy, Renewable energy; Support schemes for electricity renewable sources**

References must be available on request. Only short-listed candidates will be contacted.

Pre-selected experts will be requested to sign Statement of Availability (SoA) in which they acknowledge and confirm the availability to accomplish this assignment within the indicated period, at the indicated starting date and within the number of working days requested.

The Project is an equal opportunity employer. All applications will be considered strictly confidential.

Advertised posts are not available to civil servants or other officials of the public administration in the beneficiary country, Serbia.

For more information, please contact Project Manager at DMI Associates Marion Bayard: mail to [mbayard@dmiassociates.com](mailto:mbayard@dmiassociates.com) or Elizabeth Howard [ehoward@dmiassociates.com](mailto:ehoward@dmiassociates.com) .

