BALKAN GREEN ENERGY NEWS

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The most comprehensive coverage of green energy news from the Balkans

Content

INTERVIEW

Gaetano Massara

CEO,
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Power purchase agreement may cure deal fatigue

No country of this region can hope for a prosperous future without closer cooperation with its neighbours and Europe. Gaetano Massara, CEO of GE South East Europe, the world's leading infrastructure technology provider, who is covering 11 countries of the region from his Belgrade and Zagreb offices, told Balkan Green Energy News that looking at conditions for investing in renewable energy projects country by country, Montenegro's regulatory model is good, as it provides adequate guarantees and security to investors, and at the same time not exposing itself to over commitments.

„Governments usually have this concern: they don't want to overcommit and then be faced with a situation where they have to make retroactive or drastic changes. But the case of Serbia is different," claims the global infrastructure technology provider's official. The country is in a different phase of the investment cycle as it has still to start the implementation of sizable renewable energy projects, and incentives are needed to attract investments, he said. Additionally, the level of the feed-in tariff for wind energy is a good compromise, as it is not too high and not too low, Massara added. Also, in setting a wind quota of 500 MW the Serbian government made a prudent choice; this choice will protect Serbian energy bill payers, he stressed.

Recently you said clear legislation was necessary for investors to kick-start serious projects in Serbia. What would the first steps be?

The first step would be the adoption of a bankable secondary legislation needed to kick-start renewable energy projects in Serbia. If the regulation for wind energy, for instance, is not adopted very quickly, approximately EUR 1 billion of investment is at risk.

Two-and-a-half years have passed already since the incentive scheme has been adopted. No significant progress has been made with the exception of the adoption of the energy law last December. Many investors are starting to feel deal fatigue. They've already invested significantly in projects preparation.

What kind of regulation is the most important?

We are referring firstly to the Power Purchase Agreement, which is the template contract between the developers of wind farms and the offtaker of electricity, which in the case of Serbia is EPS. But also the Decree on the Preferred Power Producer status and the Decree on Incentive Measures are still missing.

How do wind power plants affect the market and the society?

The case of Serbia can be a perfect example of how wind power plants can contribute to economic growth and social development. According to our estimations, the construction and operation of wind farms equivalent to the current wind energy quota of 500MW can generate a net economic benefit for Serbia in the region of EUR 400 million over the 25 years of operation of the wind farms. This net economic benefit would arise from the use of Serbian companies and equipment during construction and maintenance of the power plants, as well as from the tax revenues collected by both the State and the local administrations. These taxes can be used for other needed investments in Serbia to boost its economy. Serbian workforce would be used for the construction of the wind farms but also for the maintenance during the 25 years of their operation, including field service engineers.

> *Two and a half years have passed since the incentive scheme has been adopted in Serbia.*

Then we should consider also compliance with European Union regulation. Serbia is a signatory country of the EU Energy Treaty. It undertook the obligation to meet at least 27% of its energy needs from the use of renewable energy sources by 2020. The wind energy quota of 500 MW is part of this strategy. If Serbia does not build these 500MW of wind energy, it will have to import it thus further deteriorating its energy deficit and balance of payments. Missing the 2020 deadline would also imply for Serbia being in breach of its commitment with the EU. Meeting this obligation is part of the country's overall commitment to join the EU and to abide by its regulations.

You're responsible for GE's strategy for Southeastern Europe. What kind of political course for the countries under your responsibility do you consider favourable?

We are business people, not politicians. On the other hand I am based in the region. Nevertheless, when a big corporation like GE decides to operate in a country, this has a positive impact through transfer of technology and best business practises.. South East Europe can be appealing only if seen as one market, considered an integral part of Europe. No country of the region can hope in a prosperous future without thinking of a closer cooperation with its neighbours and Europe.

Which Western Balkans countries offer good regulation and investment protection mechanism for renewables?

All the countries have pros and cons. From the perspective of regulation, we see that Montenegro's regulatory model is a good one, providing adequate guarantees and security to investors while at the same time not exposing the country to over-commitments. Governments usually have this concern: they don't want to over-commit and then be faced with a situation where they have to make retroactive or drastic changes. There are other countries from the region often cited in this respect.

But the case of Serbia is different. Firstly, Serbia is in a different phase of the investment cycle as it has still to start the implementation of sizable renewable energy projects and incentives are needed to attract investments. Secondly, the current level of the Feed-in Tariff for wind energy is a good compromise, as it is not too high and not too low. Thirdly, in setting a wind quota of 500MW the Serbian government made a prudent choice; this choice will protect Serbian energy bill payers. In all these policy choices, the Serbian government has operated very well.

What about the ambiance for ESCO projects? How did the model develop and improve?

GE supports ESCO models because we believe it is a clever way to promote investments in energy efficiency through a broader involvement of the private sector. We believe that with implementation of this kind of projects and public–private partnership schemes, the need for a reasonable return on investment and the need for social infrastructure are simultaneously met.

The degree of development of supporting regulatory framework as well as of projects track record varies from Country to Country. Slovenia is the most advanced, followed by Croatia. In both countries we see tenders for public lighting under ESCO models.

As you may know, the European Bank for Reconstruction and Development has established a facility for public lighting projects under ESCO. We are cooperating with ESCO partners in the region with the aim to participate, targeting Slovenia, Croatia and Serbia.

“If the regulation for wind energy in Serbia is not adopted very quickly, approximately EUR 1 billion of investment is at risk.”

Also PPP projects in the healthcare sector are expected soon. We encourage these models as they allow the development of much-needed infrastructure without creating a burden on State budgets. Except from medical equipment, what other technology does GE have for those hospitals?

We can offer a full package of solutions for hospitals from medical equipment to power generation units, energy smart grid and efficient lighting solutions. The Serbian clinical center of Belgrade is an example, where our gas engines supply heat and power for the hospital and our medical equipment scans and diagnoses patients every day. All this is facilitated through competitive financing, thanks to our access to commercial banks, export credit agencies and international finance institutions.

What are the business models that GE aims for in wind power plants in the Balkans? Does the company develop its own projects?

As far as wind energy is concerned, GE is the world leader in developing and manufacturing wind energy technology. Our goal is to sell our technology. Typically GE does not invest in wind farms, but in certain instances we may decide to invest limited amount of capital in order to mitigate the overall project risk through GE’s ‘skin in the game’ and help sponsors attract additional finance providers. These are exceptions.

Does GE see any opportunities in investing in power storage here? What kind of technology does your company offer?

We believe that power storage is one of emerging mainstreams that will accompany energy industry for the next decades. With the boom of renewable energy, from a technical standpoint, there are new challenges. Power storage is one of the ways through which to address these challenges. Hydro pump storage systems, for example, are typically large facilities that need big investments and availability of hydro resources to physically store power. Batteries for electrochemical storage are clearly more easily manageable, and can be a better fit for smaller applications. Both types of power storage technologies can be used for ‘peak shaving’. This consists in storing power when supply is greater than demand and inject the stored power into the grid when demand is greater than supply.

Over the past four years there have been large investments in the improvement of power storage technologies. GE has been at the forefront of this trend. This has resulted in a drop in the cost of power storage technology and energy unit cost.

Just few days ago an important customer of ours confirmed to me how power storage can be the solution to address the need for ‘peak shaving’ resulting not only from the imbalance to the grid created

by renewable energy but also to complement inflexible base-load power generation. This is the case of many countries of the region, where there are many coal-fired thermal power plants with low flexibility.

Therefore, energy storage should be part of a balanced energy mix, based on multiple solutions and sources.

In June you held the GE Sourcing Day at the building of the National Assembly of Serbia. How is the process of selecting suppliers developing, after a number of companies qualified for the second round?

The idea is to identify more Serbian suppliers for the GE businesses. We have factories in Europe and around the world that source components and parts from thousands of suppliers. Becoming a qualified supplier of GE means to have the possibility to use GE as a gate to have access to the world market.

We run a constant review of our suppliers. This review is based on quality, reliability and competitiveness. My challenge and task is to connect the region to the GE supply chain.

At the GE Sourcing Day we have invited more than one hundred Serbian companies. We shortlisted around 30 of them, but we are still receiving applications from other companies. We foresee the process to take between six months and one year: after a first technical assessment of the fit with GE products and needs, typically we invite the shortlisted company to visits GE site and to submit a quotation for the production of a defined component or part. If the company passes this phase there is a due diligence on their integrity and compliance, which is of paramount importance to us, and then on financial capability and reliability. We want our suppliers to be reliable and capable to meet our demands at any time on a very short notice. Please read more about how GE and Central Eastern Europe can grow together on geforcee.geblogs.com.

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Earth's energy imbalance and climate change

Planet Earth is in energy imbalance. More energy is coming into the system than leaving it. It is a fact that can be measured, thanks to the many observations of the state of the climate system that we have today. Natural quasi-equilibrium state that existed for thousands of years has been disrupted during the one hundred years. The reason is the continuous increase in the concentration of carbon-dioxide and other greenhouse gases in the atmosphere, in the first place because of uncontrolled burning of fossil fuels. As a result of this, global average temperature is about 0.85°C higher than at the end of nineteenth century. In the middle of the twentieth century, when it first became clear what increased CO_2 concentration can lead to, these changes were still insignificant and masked by natural variability. In the nineties, just as the prediction assumed, signals of changes in the system became visible and could be clearly separated from natural variations. Today, beside the increase in the global mean temperature we can observe many other changes in the different parts of planet Earth's climate system. Northern ice cap is steadily reduced, sea level is constantly rising, and heat accumulated in oceans is on an upward trajectory, making oceans more acidic.

“Natural quasi-equilibrium state that existed for thousands of years has been disrupted during the one hundred years. The reason is the continuous increase in the concentration of carbon-dioxide and other greenhouse gases in the atmosphere, in the first place because of uncontrolled burning of fossil fuels.”

Danger from extremes

Our region of Southeastern Europe is also under pressure due to a changing climate. Current temperature increase is higher than the global average and it is close to 0.3°C per decade since the middle of the twentieth century. Occurrence of heat waves has almost doubled. The southern part of the region already faces a shortage in annual rainfall amounts. In the northern and central parts, even though there is no evidence of significant change in the annual accumulation of rain, there are more extremes. The problem with the climate change is not only in the change of long-term mean values, but also the change in the frequency and intensity of extremes. Many meteorological stations in region have recorded a statistically significant positive trend of daily accumulated precipitation that belongs to highest top 5%. On the other side, the region had several episodes of water shortage and drought since 2000. One of the most striking ones was the drought of 2012. These extreme events clearly show us that our society, despite continuous technological and engineering development, is still vulnerable and fragile in relation to these extreme events. More and stronger extremes mean more risk in our lives.

Old predictions were true

If we are clear about the facts and observed evidence, main question is how the future will look like. What is the future of continuing emissions of greenhouse gases and how will they affect the climate? The Intergovernmental Panel on Climate Change (IPCC) published a so-called supplementary report of the first assessment in 1992. It defined the range of possible scenarios of future greenhouse gases emissions, depending largely on how much fossil fuel will be used in the future, and after more than two decades, today we are able to verify these scenarios. First of all, our current emissions are within the range that has been assessed, and it can be considered a successful outcome for the IPCC. The bad news is that during the last twenty years we were on the upper limit of the possible range. In other words, at the global level, almost nothing has been done regarding the need for emissions reduction. If we stay on this pessimistic course the global temperature and sea level will continue to rise, ice cores will continue to shrink, dry regions will become drier and wet ones wetter. According to this pessimistic scenario, climate models predict the increase of annual mean temperature of about 4°C in our region by the end of this century in comparison to the middle of the twentieth century, with a reduction in annual precipitation of about 10%, but a more drastic one during summer moths. Some scenarios show decrease of up to 50% for summer season precipitation. This substantial shift in climate condition can have a more than serious impact on all socio- and eco-systems in our region.

“According to this pessimistic scenario, climate models predict the increase of annual mean temperature of about 4°C in our region by the end of this century in comparison to the middle of the twentieth century, with a reduction in annual precipitation of about 10%, but a more drastic one during summer moths.”

Carbon budget halved

If we want to minimize future risks and avoid unacceptable negative consequences, a global agreement is necessary as soon as possible. That is the reason why success of the 21st Conference of the Parties in Paris scheduled for December is crucial for our future. The agreement should provide mechanisms that will limit future emissions to levels that will not cause a rise in global average temperature of more than 2°C above pre-industrial levels. “Carbon budget” is a number that tells us the amount of carbon dioxide emissions we can emit while still having a 66% chance of limiting global temperature raise to this target. Accumulated emission since the start of industrial revolution, which gives us this chance to stay below a 2°C rise, is about 1,000 gigatonnes of carbon. Since the end of the nineteen century we already spent more than a half, with a constant increase in emissions per year. If we continue with the current trend in budget spending, we will reach the limit in about two decades. Also, all known coal, oil and natural gas reserves are three times bigger than needed to pass budget limit. Therefore, most of these reserves must stay below ground, if we really want to avoid increased risks from adverse effects of climate change that will be difficult to adapt. Even if we achieve this goal, adaptation seems unavoidable. Sadly, some systems will not be able to adapt, especially when we talk about eco-systems such as majority of coral reefs and habitats on mountain tops.

“If we want to minimize future risks and avoid unacceptable negative consequences, a global agreement is necessary as soon as possible. That is the reason why success of the 21st Conference of the Parties in Paris scheduled for December is crucial for our future.”

The energy sector should play a leading role in achieving this goal. It is already commonplace that this transformation should be seen as a development opportunity and not as a barrier for the sector. We will need international negotiations, agreements, regulations and limits at the last moment.

We must give a chance to the planet to reach energy balance once again, one that is not far from when modern society was developed. For the new balance, centuries will be required, due to the slow processes in the system such as ocean currents and ice caps melting, but the sooner we start, a balance will be more possible.

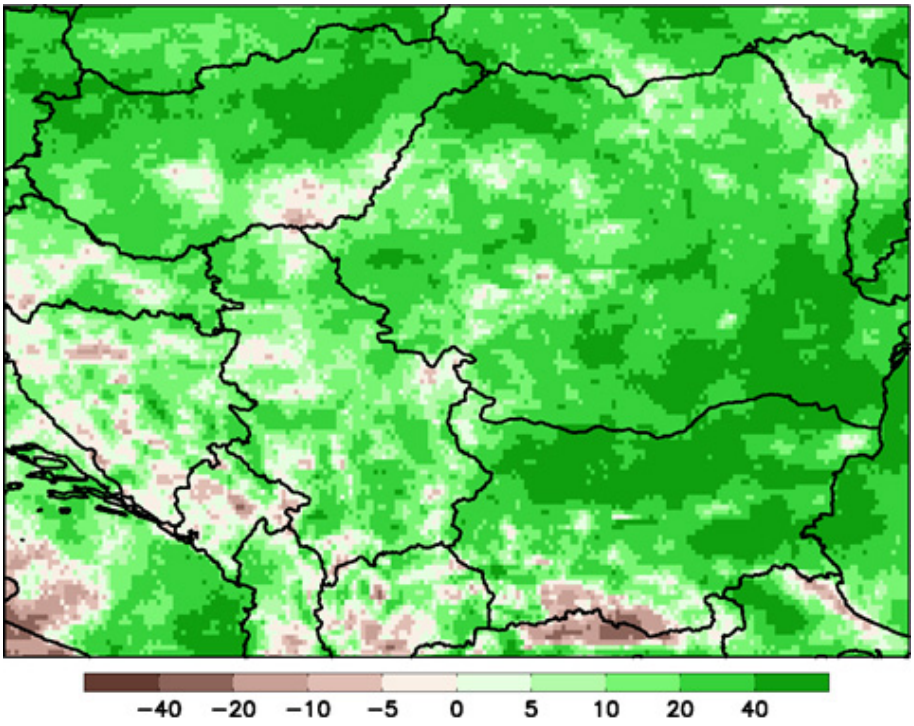

Image 1: *Percentage change of total accumulated extreme daily precipitation for the period 2041–2070 with respect to 1971–2000, according to scenario RCP8.5 of Intergovernmental Panel on Climate Change. For days with extreme precipitation daily accumulation will be above threshold for the top 5% precipitation amounts in period 1971–2000. RCP8.5 assumes that concentration of greenhouse gasses will continue to increase. Green colour indicates extreme precipitation increase and brown indicates decrease. For the majority of the region projected increase is between 10% and 40%.*

Data source: Orientgateproject.com
Project partner: Republic Hydrometeorological Service of Serbia
Model: NMMB.

SERBIA

June 25

Hydropower plant Đerdap 1 entering revitalization

The fourth stage of the units overhaul of the 1,026 MW hydro facility Đerdap 1 in eastern Serbia, owned and operated by Electric Power Industry of Serbia EPS, will start on August 3, the plant's head Ljubiša Jokić said. After A-5 unit was revitalized in late March, the plan was to stop A-1, which has been utilizing Danube's potential for over four decades, Danas daily paper said on its website. However, the works on Đerdap's first unit were postponed for objective reasons, Jokić underscored, explaining that the Russian equipment suppliers were late.

A five month overhaul is included in plans, as are control works on hydro unit A-6, revitalized in 2011.

June 25

Turkish companies don't claim Gazivode

Kosovo Energy Distribution Services (KEDS) told Vesti newspaper it does not claim Gazivode hydropower plant complex in Kosovo. The company is owned by Turkish companies Çalik and Limak since 2013, but the power infrastructure at the site is controlled by EPS (Electric Power Industry of Serbia).

„Our company is in electric power distribution, maintaining equipment in the field and payment collection. We have nothing to do with production. About these issues you will have to contact Kosovo Energy Corporation (KEK)," the company told the newspaper's reporter, denying the information from the media that this company bought Gazivode and that it wants control over the facilities. The HPP earned over EUR 10 million last year. It is part of hydro system Ibar–Lepenac and hasn't been included in any agreement between the governments in Belgrade and Priština, which have been negotiating about cooperation, property and social issues for several years.

June 30

Regulator approves electric power price hike

Energy Agency Council agreed to a price increase for electricity for Serbian households and small buyers that have the right to buy power at regulated costs, state-owned news agency Tanjug said. The tariffs for households from August 1 will be 4.4% higher on average, while the mean price increase for all buyers entitled to a regulated price will be 4.5%, not including the excise duty, the institution said, according to a report on portal Mondo.rs.

The National Assembly of Serbia adopted the excise act in June, including an electricity levy of 7.5%, so the overall price increase for households is 12% plus value-added tax. Energy minister Aleksandar Antić told Fonet news agency the Government of Serbia tends for electric power to reach market prices in no less than five years.

July 1

Memorandum signed for a CHP plant investment

Official website of the City of Kruševac said the local authority signed a cooperation memorandum concerning a future cogeneration plant, with Building Energy 1, subsidiary of Building Energy from Milan, Italy, and local company Sinergy Invest.

The construction and installation project is worth EUR 25 million, and the plan is to initially employ 30 to 50 people, the press release said. The city's officials said it is possible to establish special

cooperation with the Italian company also in the field of solar energy, including a study and a plan to install a photovoltaic facility.

The planned combined heat and power plant, fuelled by biomass, will be located next to the district heating facility, in order to enable them to connect, and the project's start is planned for October 14. The project is supposed to be complete in two years, the press release said. Paolo Rossi, Building Energy's head manager for Eastern Europe, visited Kruševac in April.

July 6

LED lighting and energy efficiency for municipalities

Capital Investments Administration of Autonomous Province of Vojvodina signed grant contracts for energy efficiency projects with eight municipalities. The financing and co-financing budget is RSD 59.4 million (EUR 494,000), the institution said.

The question of energy efficiency enhancement concerns the whole community, because it means more rational energy use, cutting down on energy expenditure for heating and cooling, lowering emissions of harmful gasses, but also savings on costs for local self-government, said Nebojša Malenković, chief of the Capital Investments Administration. He stressed municipal authorities must be the leading element in energy efficiency projects' implementation and added reconstruction of public buildings has multiple benefits.

The administration's funds are planned for financing and co-financing projects for rehabilitation and energy efficiency improvement in Subotica, Kanjiža and Vršac with a total of EUR 203,000 as well as reconstruction and rehabilitation of public lighting in the municipalities of Nova Crnja, Srbobran, Bečej, Novi Kneževac and Opovo with a total of EUR 291,000, the report said.

Bečej's project, worth EUR 60,800, is for installing 162 LED lamps in five streets. Vojvodina's investment agency granted EUR 52,500, while the municipal construction directorate will finance the rest, local authority's website said. According to the report, expected savings are around 80%.

July 14

Seepex aims launch of day-ahead market by end-November

Operator of electric power exchange for Serbia and Southeastern Europe was signed up at the Business Registers Agency, state-owned electricity grid operator EMS said. Regulation and application procedure for future members will be known by the end of August, and the system's testing is scheduled for September, the press release said.

South Eastern European Power Exchange (Seepex) targets the launch of the Serbian day-ahead market in November, subject to successful member testing and regulatory approval, Mondo Visione portal reported earlier. This was announced during a workshop with future members held on June 24, where Serbian, regional and European electricity market participants underlined their interest in joining an organized market in Serbia.

> *"The platform is a joint venture of EMS and the European Power Exchange EPEX Spot."*

The platform is a joint venture of EMS and the European Power Exchange EPEX Spot. The operations of Seepex will rely on the trading system ETS, used by EPEX Spot for its own markets. Clearing and settlement shall be performed by European Commodity Clearing. This also allows for an efficient and fast adherence to existing market initiatives such as the 4M Market Coupling or the Multi-Regional Coupling, stretching already across countries covering 85% of European electricity consumption, the report said.

Nikola Petrović, general manager of EMS, said in March 2014 that EPEX Spot, an exchange for power spot trading in Germany, France, Austria and Switzerland, will have a 25% share in Seepex, with EMS holding the remainder.

July 15

Kajkut Energy plans to build a SHPP in Despotovac

Municipality of Despotovac said on its official website that Kajkut Energy DOO, registered in Belgrade, plans to construct a small hydropower plant on Resava river. The facility is planned to have a capacity of 700 kW and it will be located in the area of Stenjevac village, on the slopes of Beljanica mountain, the report said. Kajkut Energy filed the application for a decision on the need to assess environmental impact. The document has been sent to the department for property and legal issues, urbanism and construction, where it was analyzed until July 15.

July 16

Fintel Energia signs term sheet for Košava wind farm

MK-Fintel Wind AD, subsidiary of Fintel Energia Group SpA, signed a term sheet with a consortium formed by international partners to finance, build and operate a wind farm of up to 128.7 MW of installed power in the municipality of Vršac northeast of capital Belgrade. The consortium will acquire, subject to certain requirements, the majority of the shares of the project while MK-Fintel will remain responsible for the local operations and day by day management, Fintel Energia said in a press release.

Košava wind farm, scheduled for completion in late 2017, will consist of 39 turbines and will generate 390 GWh annually, equal to the consumption of around 130.000 Serbian families, the company said. The transaction with an estimated capital expenditure in excess of EUR 180 million, is subject to the completion of satisfactory due diligence, definitive agreements and corporate, government, and regulatory approvals, the press release said.

A non-binding term-sheet for the financing of Košava 2 wind farm of 9.9 MW was signed on May 26 by Fintel Energia and Erste Bank.

July 17

China Development Bank would back geothermal projects

Beijing Explo-Tech Engineering Co., Ltd. (Betec) is interested in exploiting geothermal energy in Vranje and Kuršumlija in southern Serbia, and in building a thermal power plant, the representatives of the company from China said at the meeting with president Tomislav Nikolić. Beta news agency reported the potential investors said the power plant construction should start by the end of the year, and that China Development Bank is interested in supporting the project, as well as research of new geothermal sources.

The company operates in the sector of geothermal energy and it founded its subsidiary Betec Resources three years ago. Betec was founded by China Geological Survey institute. In November 2013 the company financed the visit to China by representatives of Geological Survey of Serbia, in a delegation led by then-minister for natural resources, mining and spatial planning Milan Baćević.

July 17

EPS completes its organizational changes

Status changes from July 1 in the Electric Power Industry of Serbia (EPS) are the biggest organizational changes in the last two decades, the company's newspaper EPS Energija said. Instead of 14 entities, the system now consists of three.

After the restructuring programme was adopted by the Government of Serbia in November, the process started on April 15. Seven enterprises, including the renewables unit and two hydropower plant operators, were merged with EPS, Ratko Bogdanović, chief of project team, told the paper. There was no auditing and on July 1 all property, rights and liabilities of those firms were transferred to EPS, together with the workers. Something different happened in the distribution sector. Four regional enterprises as transmission operators were merged with Elektrodistribucija Beograd and ceased to exist,

and later the universal company changed its name to EPS distribucija. Corporatization can now enter its second stage, Bogdanović said.

July 30

Investments in light of emerging security of supply

The 8th Annual Balkan Energy Finance Forum, scheduled for October 20–21 in Belgrade, will unite key players from across the energy industry, from both private and public sectors, tackling key issues facing market developments in light of current sector transformations and the emerging security of energy supply, EEL Events said in the announcement of the conference. Participants can find out all this and more at the event, for which readers of Balkan Green Energy News get a special 20% off on all prices, including the super early bird discount which expires on August 19.

Focus will be paid to national and regional energy policy aiming to improve the present strength and future competitiveness of common Balkan energy market. A major focal point of discussions is set to be the opening of a regional, Balkan power exchange and development of offshore gas potential in Croatia and Montenegro along with up-to-date development plans for Albania's hydrocarbon and hydro resources.

Moving away from generic energy discussions, the annual event will highlight the bankability of energy projects for private sector investors, including expert scrutiny of risks and challenges from a range of international professionals, utilising real life case studies of successful and stalled projects, as well as offering in gas and electricity infrastructure, wind, solar, hydro, energy efficiency and alternative sources.

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June 23

IFC finances energy efficiency with NLB Prishtina

Cooperation to increase investments in energy efficiency for small enterprises and households in Kosovo was established between International Finance Corporation, a member of the World Bank Group, and NLB Prishtina, part of the largest banking group in Slovenia.

According to IFC's press release, the organization will support the local bank in improving its capacity to identify, evaluate and finance projects with a goal to help mitigate climate change and contribute to a cleaner, more sustainable environment.

„We believe there is considerable potential for investments in modernizing smaller businesses and homes to make them more energy efficient," said Albert Lumezi, chairman of the Management Board of NLB Prishtina. „Because these investments are quite complex, we are pleased that they will be done with the cooperation and support of IFC, which has considerable experience and expertise in this area."

The advisory project is part of IFC's Sustainable Energy Finance Program in Europe and Central Asia, implemented in partnership with Austria's Federal Ministry of Finance. NLB Prishtina is the second bank from Kosovo to join the program, after Banka për Biznes in September 2014.

„Energy efficiency is a priority for IFC due to the growing demand for energy, increasing supply constraints, and concerns over the effects of climate change," said Thomas Lubeck, IFC's regional manager for Western Balkans. „This project also supports government efforts to

implement its Energy Efficiency Action Plan to cut costs and comply with European Union standards."

July 24

World Bank funds public buildings' energy efficiency

According to a contract notice for the renovation of five public buildings, after the deadline for obtaining tender dossier expired on July 24, the Ministry of Economic Development expects **receipt of tender by August 3.**

Object of the open procedure within the **Kosovo Energy Efficiency & Renewable Energy Project,** funded by the World Bank, is to increase energy efficiency through renovation of heating, lighting and envelope. Contract will be awarded to the bidder that offers the lowest price for the works on the buildings of Ministry of Culture, Technical Faculty, Pulmonology and Dermatology Clinic, Kosovo Agency of Statistics, and Faculty of Chemistry, all in Prishtina (Priština), the document said. Renovation will last six to eight months.

> *"Renovation will last six to eight months."*

Kosovo is unable to meet its energy demand, and an unreliable supply of electricity leads to frequent power outages, constraining businesses and affecting both job creation and investment, the World Bank said. National energy efficiency and renewable energy action plans (NEEAP, NREAP) call for cumulative energy savings of 9% over 2010 levels by 2018, and 25% of energy supply from renewable energy sources by 2020. The World Bank is working with the Government of Kosovo **to implement the USD 31 million project** designed to reduce energy consumption and fossil fuel use in public buildings throughout the land by investments in efficiency and renewable energy sources.

July 3

Construction of EUR 1.5 million substation begins

Power enterprise Elektroprivreda Crne Gore AD Nikšić (EPCG) said it started the EUR 1.5 million worth construction of 35/10 kV Popovići substation in the southern town of Bar, after a rise in the number of customers by 40% in the last decade, and an increase in consumption, especially during the tourist season.

Saša Milovanović, manager for Bar, Budva and Ulcinj, said that the substation will considerably increase safety of customer supply and added that the existing 35/10 kV substations Topolica and Končar are close to nominal load. Around four thousand customers in the area of Polja, Čeluge and Popovići will be supplied, and conditions for the development of 10 kV network and connection of new customers will be met, EPCG said.

„Following the tourist season we plan to commission construction of cable lines for fitting into 35 kV and 10 kV electric power network. Works are worth more than EUR 220,000 and the agreement with the contractor has already been signed. Construction of the 35 kV neutral point earthing resistor in 110/35 kV Bar substation worth EUR 50,000 is in its final phase, and works worth EUR 70,000 related to the equipment for two 35 kV cells in that substation have to be finalized by the year-end," Milovanović said.

The contractor is a consortium led by Bemax, and the equipment has been procured from Schneider Electric. „The new substation has two times 8 megavolt-amperes of installed capacity. The 35 kV switchyard will consist of five feeding

cells, two transformer cells, one coupling and one metering cell. The 10 kV switchyard, in addition to metering and coupling cells, shall be also equipped with 17 outgoing feeders," Milovanović said and added that the new substation has been planned to become part of the system by the end of the year.

July 18

German engineering firm eyes new HPP projects

Voith Hydro is interested to participate in the construction of hydropower facilities in Montenegro. The company's regional sales manager Predrag Krunić underscored that the country has significant energy potential in the rivers and streams of Morača, Komarnica, Lim, Ćehotina and Tara, while only 17% is utilized. The engineering enterprise from Heidenheim, Germany, participated in project development for a power plant on Komarnica, he added.

"Krunić: Big part of unused hydro potential is related to Montenegro's agreements with neighbouring countries."

Voith Hydro cooperated with national power utility Elektroprivreda Crne Gore (EPCG) in the reconstruction of big hydropower plants Perućica and Piva financed with grants and loans from KfW Development Bank and the German government. Other, smaller projects in the two HPPs were subsequently implemented. Krunić told the Montenegrin company's newspaper Elektroprivreda that the project of installing the eighth unit in Perućica is very interesting for Voith and that more than six years ago it gave an offer in the tender alongside another enterprise, but that the endeavour isn't being implemented.

"Big part of unused hydro potential is related to Montenegro's agreements with neighbouring countries of Serbia and Bosnia and Herzegovina, that is the Republic of Srpska, about common utilization of the potential and about constructing power plants. If conditions to build such power plants on these water streams are met, Voith Hydro would have the interest to participate in the construction of such facilities," Krunić said. In 2013 the company won a contract to revitalize four units in HPP Zvornik in Serbia for EUR 65 million from a loan from KfW. Voith's subsidiary Kössler was selected this year as part of a consortium to overhaul eight other HPPs, in a project financed by the European Bank for Reconstruction and Development. The subsidiary also installed three small HPPs in Kosovo last year, while Voith gave and offer for HPP Boškov most in Macedonia.

Krunić reminder that last year through Kössler his company supplied the equipment for three small hydro facilities and that it will deliver the gear for three more by the end of this year.

July 24

EBRD approves funds for Krnovo wind power plant

The European Bank for Reconstruction and Development is supporting the first commercial wind power plant in Montenegro, to be located at Krnovo, near the town of Nikšić in the western part of the country. Also, the government in Podgorica agreed on July 23 for French development bank of Proparco to join the project lenders. The consortium of Akuo Energy from France and Ivicom Consulting from Austria needs additional funds for the project worth between EUR 100 million and EUR 120 million, the government said. Because of the inability to obtain financing from commercial banks, the investor started negotiations with the representatives of the EBRD and German KfW Development bank, the press release said, according to a report by agency MINA-Business, published by Vijesti newspaper's portal.

EBRD said on July 8 it is extending a senior secured loan of up to EUR 48.5 million to Krnovo Green Energy DOO, the subsidiary of Akuo Energy of France, which will build and operate the 72 MW plant. In parallel, KfW IPEX-Bank GmbH, a subsidiary of KfW Development Bank of Germany, is providing a loan of the same amount. The official start of construction works was in May.

This is the first large-scale investment in the country's electricity generation capacity since the 1980s, the report said. Once constructed and operational the wind farm will represent 8% of the total installed capacity and 6% of total electricity production in Montenegro. The project is expected to result in CO_2 emission reductions of more than 180,000 tons annually, equivalent to removing 11,000 cars from the roads, EBRD said.

"The wind farm will represent 8% of the total installed capacity and 6% of total electricity production in Montenegro."

„With this project, the EBRD is supporting Montenegro in becoming one of the lowest-carbon economies in Europe on a relative basis and advancing energy efficiency by boosting competition in Montenegro's energy market. Over the last two years the EBRD has worked with the government to create the regulatory framework for renewables," said Giulio Moreno, head of EBRD's Podgorica office. The bank will also finance the construction of a mini hydropower plant on Bistrica river in Bijelo Polje, in the country's north, Moreno said in June.

"Montenegro is a country that lies at the crossroads of Europe, has considerable renewable resources and has decided to make even greater use of these resources to have production of green electricity – a strategic priority for its development. We welcome this proactive policy and are delighted to have financed the country's very first wind farm with the help of EBRD, KfW IPEX-Bank, and Proparco," concluded Eric Scotto, Akuo Energy's cofounder and CEO.

July 30

Conference on sustainable energy and climate changes

Civic Alliance of Montenegro said regional conference 'Energy. Development. Democracy: How successful policy dialogue can ensure sustainable use of energy and climate protection in South East Europe?' will take place in Podgorica on September 29–30. The event is part of the project 'Public Dialogue on Sustainable Use of Energy and Energy Efficiency', implemented since 2011 by seven schools of political studies from the region with the support of German Organization for International Cooperation (GIZ) and its Open Regional Fund for Energy Efficiency. The School of Democratic Leadership is the host of the third regional conference. This phase of the project is supported by Federal German Foundation for Environment, School of Democratic Leadership, but six schools from Serbia, Albania, Kosovo, Macedonia, Croatia and Bosnia and Herzegovina are also members of the Network of Schools of Political Studies, operating under the auspices of the Council of Europe.

Special focus within this project is participation of parliamentarians, so previous two regional conferences were organized in the parliaments of Serbia and Croatia. The conference will bring together representatives of the European Parliament, members of parliaments from regional countries, leaders of civil society organizations, and energy experts. The objective is to exchange information and ideas, to improve better understanding of dynamics and direction of the EU and global sustainable energy and climate protection targets but also specific challenges for Southeast European countries and to share examples of a successful creation and implementation of policies that will help preparing the Southeast European region for being fully integrated into the European energy space.

"School of Democratic Leadership is the host of the third regional conference."

Additional support in realization of the conference is provided by Regional Cooperation Council (RCC), South East Europe Association Munich, Energy Community Secretariat and Chamber of Economy of Montenegro. Also, a special session within the conference will be devoted to a meeting of members of parliaments and members of energy committees to be hosted by RCC and Energy Community Secretariat.

CROATIA

June 29

Future CHP plant should come online in December

Company Energijainvest started the construction of its biomass-fuelled combined heat and power (CHP) plant in the town of Grubišno Polje in Croatia's northeast. The planned capacity is 3.8 MW, electricity will be supplied to the public grid, while heating will be used by the company.

As one of its founders Stjepan Rajnović said, the investment is worth HRK 12 million (EUR 1.58 million) and he started doing paperwork a year ago with Milan Gomerčić, another co-founder, using funds from a loan. „We wish to end construction works by the end of October, after which comes the mounting of equipment for about a month, and then it's 15 days of test operation, so we aim to make the facility work around mid-December," he said and Radio Grubišino Polje reported on the town's website.

The plant will use wood chips as fuel and four people should be employed, but several times more workers will be hired through co-op deals, the article said. The return on investments is expected within six years. Mayor Zlatko Mađeruh said this energy facility project was the last of three in the town to start developing, but the first to launch construction works, as the investors were more diligent on applying for permits and took care of the financing.

July 2

RWE teams up with HEP to tap on renewables' potential

Novenerg, a 50-50 joint venture aiming to exploit the potential of renewable energy sources, was founded on July 1 by Germany's RWE AG and Croatia's national electricity company HEP Group. The project was started in order to strategically evaluate and analyse potentials of investment in power generation in the sector, with a focus on Southeastern Europe's markets, HEP said.

The venture, headquartered in Zagreb, will look at acquisitions and develop decentralized projects. It's field of operation includes waste-to-energy and increasing efficiency in existing facilities, two companies said.

„After almost twenty years of cooperation in building and managing Plomin 2 thermal power plant, we concluded what was an exceptionally successful partnership, but exiting Plomin the RWE isn't leaving Croatia. That is why we founded a venture company through which we will together explore the possibilities to invest in renewable energy sources in Southeastern Europe," said RWE Croatia's CEO Karl Kraus (pictured left), who signed the agreement with HEP's CEO Perica Jukić (right). RWE's role will be, above all, to to provide strategic consulting, because of the group's great experience throughout Europe, Kraus added.

July 2

Solar-powered bench glows at night, charges gadgets

Ivan Mrvoš, a 20-year old electrical engineering student from Solin near Split in Dalmatia, developed a prototype solar bench, with support by the municipal authority. The invention is shockproof, it is equipped with four chargers for mobile phones and tablets, and at night it is used as public lighting, portal Dalmacijanews.hr reported. The solar bench, installed in front of Solin's town hall, is also a Wi-Fi hotspot equipped with air quality sensors, and it can work ten days without sun, the inventor claims.

Project's author, who studies in Split, said he got his idea after winning at last year's Entrepreneurship Camp in his hometown. „There I presented my LED chairs, each equipped with a mobile phone charger. They were battery-powered and they

could change colours. Then the idea started to develop and this bench was the result," Mrvoš explained. He and his two friends and fellow students presented the e-bench project to the Town of Solin, which financed the construction, first of its kind in Croatia. Talks are underway to install several other solar benches in Solin.

"Cost of one item is two to three times bigger than of a regular wooden bench."

Planning and construction lasted for four months, and the cost of one such item is two to three times bigger than of a regular wooden bench, even though the prototype cost up to HRK 30,000 (EUR 3,960), Mrvoš said and added the Smart Bench concept brings savings because no maintenance is necessary and the system is automatic.

July 7

Agro-solar revolution in combination with education

Works on 500 kW canopy photovoltaic system were launched on July 6 in Medinci near the town of Slatina in Croatia's northeast, Virovitica–Podravina County's Regional Development Agency (Vidra) said on its website. It is a unique example in the country of combining renewables with agriculture, as the land on which the facility named Sinerot is installed will be used in full for growing vegetables, the report said. The project with 2,128 polycrystalline silicon modules is worth HRK 6.6 million (EUR 870,000), co-funded with EUR 700,000 by the the Environmental Protection and Energy Efficiency Fund, while the county provided the remaining 20%. The design was done by the main contractor, Work-Ing from Varaždin, and also an irrigation water well is planned for the field.

Partners in the endeavour are the Faculty of Agriculture in Osijek, Vidra Development Agency and Slatina's secondary school 'Marko Marulić'. The agro-energy unit will serve as an educational facility, and the surplus electricity will be utilized by county's elementary and secondary schools.

"Panels will be installed at a height of 2.5 metres, with posts set four metres apart, enabling access to agricultural equipment."

Panels will be installed at a height of 2.5 metres, with posts set four metres apart, enabling access to agricultural equipment. All machines will work on electric power, and the solar chargers will be installed on site. County head Tomislav Tolušić announced contracts for more than 200 solar systems for drying tobacco, worth EUR 740,000. Slatina mayor Ivan Roštaš said the town has ten or so projects for renewable energy sources, including two private biogas facilities. The Environmental Protection and Energy Efficiency Fund approved one fifth of national energy rehabilitation funds for public buildings of EUR 11.21 million to Vidra, which is a record, Jutarnji list newspaper said. Also, a EUR 1.32 million worth project for 1.5 MW of solar panel rooftops for 10 schools in the county is about to be implemented, making these institutions net power producers.

July 16

Electric car, buses, charger stations introduced

The northern Croatian Town of Koprivnica presented its two electric minibuses, first zero emissions public transport vehicles in the country, the municipal website said. The purchase was organized within electromobility project Civitas Dyn@mo, the biggest and most demanding that this local authority participates in. Koprivnica

funded the endeavour with EUR 920,000 and the European Union donated EUR 556,000. The system is part of an initiative to introduce public transport on the local level. The 12-passenger minibuses of 100 kW each were bought from the company DOK-ING. Speed is automatically limited to 90 kilometres per hour and autonomy is 90 to 130 kilometres.

City of Zagreb introduced a charger station for electric cars in Tuškanac public garage on July 15. Public company Zagrebparking now operates five such stations, each with the capacity to charge two vehicles at the same time. Subscription to garage services for electric cars is discounted by 50%. The HRK 168,000 (EUR 22,100) project was subsidized by the Environmental Protection and Energy Efficiency Fund with 40% of the cost.

Karlovac town officials presented the municipal electric vehicle, first of its kind in Croatia. The small Volkswagen e-up is leased until the end of the year, and its charger station in front of the town hall can be used free of charge for other e-vehicles.

In April, national electricity company HEP Group presented new electric vehicles in its fleet and the charger network ELEN to reporters. Koprivnica and the towns of Vukovar and Labin also have ELEN's charging stations. Croatia gave EUR 2.44 million this year for incentives for the purchase of 506 e-cars. Last year 440 were bought by citizens and entrepreneurs.

July 16

Third stage of Zakučac HPP's overhaul completed

Croatian state-owned power utility HEP said the third unit of the country's biggest hydropower plant entered test production after an overhaul. Works on 486 MW Zakučac facility, located in Dalmatia, aim to increase overall capacity by 52 MW, enabling yearly generation to soar by 58 GWh, portal Energetika-net reported. The result in 2013 was 2.13 TWh, according to HEP's data, while Končar said average annual production is 1.46 TWh.

"The investment is worth HRK 1 billion (EUR 132 million)."

The reconstruction is thus entering its final phase, after one of four 160 megavolt-amperes units with Francis turbines has been reconstructed per year, alongside its auxilliary equipment. Third unit is from the second block, commisioned in 1980, while the first and second had been launched in 1961. The investment is worth HRK 1 billion (EUR 132 million), and last year EUR 19.8 million was spent on works which involve twenty companies, led by Končar Electrical Industry Inc., headquartered in Zagreb.

July 24

Končar – Renewable Sources renovates SHPP Zvečevo

A devastated resort in Croatia's northeast is subject to talks about ownership, as Končar Electrical Industry Inc. is open to the possibility to let the Municipality of Brestovac and Požega-Slavonia County manage the facility. Meanwhile on the property, the company's subsidiary Končar – Renewable Sources reconstructed a 30 year old small hydropower plant that had been destroyed in the nineties during the Yugoslav Wars.

The HRK 1 million (EUR 132,000) investment resulted in the launch of the 30 kW plant on a stream next to a lake in Papuk mountain and, according to Franjo Lucić, member of Croatian Parliament, Končar will use the project as a reference for other miniature hydro facilities.

"Končar – Renewable Sources reconstructed a 30 year old small hydropower plant that had been destroyed in the nineties during the Yugoslav Wars."

In other company news, Končar – Power Plant and Electric Traction Engineering Inc. (KET) completed the project of the Production Control Centre of Bihać Electrical Distribution in HPP Una in Bosnia and Herzegovina earlier in July. The project included the replacement of an old Scada system with one made on platform ProzaNet, together with pertaining equipment. Works were carried out both in the centre and on HPP Una, SHPP Bihać and SHPP Krušnica.

July 24

Energy efficiency incentives give boost to economy

Sven Müller, head of the Environmental Protection and Energy Efficiency Fund of Croatia, visited hotel Maestral in Novigrad with ministers for environment and tourism Mihael Zmajlović and Darko Lorencin. The facility, located in Istria peninsula in the country's west, is owned by company Laguna, which will introduce energy efficiency mesures and energy from renewable sources in this one and its other hotel in the island of Korčula, the Feral. The fund secured a grant of HRK 1.8 million (EUR 240,000) for projects that are worth EUR 460,000 in total.

„This year we support energy efficiency and protection of the environment with HRK 600 million. That means HRK 1.5 billion for projects that are good for the environment, for cutting costs and good for green jobs," Zmajlović said. Müller added that the fund co-finances projects for renewable energy sources in tourism with EUR 1.17 million this year and that there were more than 50 applications.

Novigrad was supported by the fund with 40% of costs for installing renewables systems and energy efficiency works in family houses, in two projects worth an overall EUR 370,000. The fund said it also co-finances installation of new efficient public lighting and replacement of the old one with EUR 220,000 in an endeavour of EUR 610,000. A project of similar value and support is being implemented by the County of Istria in order to reconstruct an elementary school, and the fund also supports a local utility for waste management and street maintenance in activities to protect the environment, Novigrad mayor Anteo Milos said.

Citizens have also invested in energy efficient technologies in the last two years, and were also supported by the state. Recently an incetives scheme for 10,000 devices ranked A+++ was financed with EUR 105 per item, and the funds were used in a matter of days. This year the rehabilitation of 2,263 family houses was supported until July 16 with EUR 14.62 million, about two thirds of the cost. The Environmental Protection and Energy Efficiency Fund said there were 1,800 applications accepted for the programme of energy rehabilitation of residential buildings, compared to 774 from last year. Incentives are worth EUR 19.75 million.

July 30

Energy and infrastructure industries explained

Green World Conferences announced that the annual Energy and Infrastructure Investment (EII) Conference will be held on September 17–18 in Zagreb, Croatia.

The organizers invited participants to learn about the pipeline, tender and financing structures and the biggest deals from the most senior representatives of the energy and infrastructure industries. All actors across the deal chain are at one event. Attendees can engage in the debate on where the market is headed, what is in store for the industry and what will be needed to satisfy Balkan investment demands. They will network with senior investors, equity sponsors and banking project leaders, as they examine how debt financing of infrastructure is evolving.

Some of the main topics are project financing options, legal aspects of developing energy and infrastructure projects in Croatia and the Balkans, and public–private projects.

The conference will be attended by representatives of Croatian governement and Zagreb City Council, city and region planning executives, business leaders and developers, consultants, lawyers, economists, lawyers and risk managers from the field.

Green World Conferences has been active within the renewable energy market since 2008 and has organised over 180 events worldwide, including 8 events in the Balkan region. Third annual two-day EnerTech Balkans conference and exhibition was organized in Belgrade's Hyatt hotel in late March.

SLOVENIA

July 22

Support scheme costs EUR 2.03 billion through 2028

If not a single power plant that utilizes renewable energy sources is built anymore, Slovenia's expenses for subsidies from 2009 to 2028 would amount to EUR 2.03 billion, according to government data, Finance newspaper's author Jurij Šimac said. Last year the solar power facilities, little over 3,000 of them, generated 244 GWh or 27% of green energy, and got 47% of overall incentives of EUR 130 million. Finance's journalist underscores that last year the state paid around EUR 250 per MWh from solar power plants, while the market price is around EUR 30. The Ministry of Infrastructure is now devising a net metering scheme for photovoltaics, Šimac said.

Energy Agency of Slovenia said in its yearly report that 47.5% of electricity in the grid was generated by hydropower plants. Furthermore, HPPs Brežice and Mokrice will soon be constructed, while it is expected that other power plants will be built on Sava river.

The institution registered 43 MW of power production capacity entitled to state support last year, mostly high efficiency cogeneration. In the district heating market, primary biomass as a fuel had a share of 6.9% while 2.9% of heat was produced in the waste incineration plant in the town of Celje. Nine biggest producers of electricity, with a capacity of more than 10 MW each, had an overall loss of EUR 22 million, but it was the three companies generating power from fossil fuels that were in the red by EUR 59 in total, while HPP operators had fairly good results, the agency's data shows.

July 24

Gorenje sells waste-processing subsidiary Surovina

Polish Tesla Recycling acquired the majority stake in a subsidiary of international household appliances maker Gorenje, headquartered in the town of Velenje, Slovenian Press Agency (STA) said. Gorenje Surovina is a waste-processing company with a production plant which serves as a technological and development platform for the development of an alternative fuel production programme in compliance with the solid recovered fuel (SRF) system. Gorenje will likely sell the remaining share in the company to the new owner after three years. Slovenian media had reported the two sides began negotiating in April.

In a filing to the Ljubljana Stock Exchange Gorenje said it had sold a 69.32% stake to Tesla Recycling, subsidiary of Elemental Holding, for EUR 29.2 million. Elemental Holding boss Pawel Jarski said this was the biggest Polish investment in Slovenia, while Gorenje management member Peter Groznik said the move was part of the company's plan to focus solely on its core activity – household appliances. The deal includes Surovina's subsidiaries Kemis Valjevo and Cleaning System S (both based in Serbia) and Kemis BH in Bosnia and Herzegovina.

Elemental Holding is dealing with collecting and processing waste metals. With subsidiaries in Poland, Slovakia, Lithuania and Turkey, it is active in processing of electronic waste and car catalysts.

BOSNIA AND HERZEGOVINA

July 13

Hidroelektrane na Trebišnjici completes overhaul

Planned annual maintenance of Bosnian hydropower producer Hidroelektrane na Trebišnjici was completed on schedule and the producer is back on stream, SeeNews said, citing local media reports.

Total cost of the 40-day overhaul was BAM 100,000 (EUR 51,100), news agency Srna reported. Hidroelektrane na Trebišnjici, comprising three hydropower plants along the Trebišnjica river, is located in the southern part of the Republic of Srpska, the smaller entity of Bosnia and Herzegovina.

Company official Ljubomir Zotović announced the complete refurbishment of a generating unit in hydropower facility Dubrovnik by the end of October, Srna said.

July 16

Utility pays eight municipalities EUR 6.1 million

Bosnian power utility Elektroprivreda HZHB said it paid eight local municipalities a total of BAM 12 million (EUR 6.1 million) in the first half of the year in compensation for using their hydroelectric storage facilities, SeeNews reported.

> *"The entity's prime minister withdrew a decision to contest the disputed local law at the constitutional court."*

The company is legally obliged to redirect a portion of its revenues from the use of storage facilities, the company said in a press release. The municipalities are obliged to invest 50% of the money in infrastructure projects in areas damaged by hydroelectric storage, EP HZHB said.

HZHB's chief executive told at a press conference that the compensation fees are not only the highest in the region, but also the whole world. The company said it will suffer damage after Fadil Novalić, prime minister of the Federation of Bosnia and Herzegovina, withdrew his predecessor's decision to contest the disputed local water management law at the entity's constitutional court.

Since 2009, EP HZHB has paid local municipalities EUR 60.3 million in compensation under this legal obligation. Elektroprivreda HZHB is based in Mostar, in Federation of Bosnia and Herzegovina, the larger of two entities, the other one being the Republic of Srpska. The company is the smallest of the three state-controlled power utilities, operating seven hydropower plants with a total capacity of 860 MW.

July 17

Bridge, road will lead to future HPP site

On Lim river near the town of Rudo in eastern Bosnia, the construction of a bridge has started downstream from the dam. The 72 metres long object will be used for the needs of run-on-river hydropower plant Mrsovo, agency Srna said. Dragan Čvor, lead engineer in Comsar Energy's project, said the works are on schedule. He added the plan is to finish the 1,200 metres long road towards Varda quarry, from where construction material will come, by the end of July, and the remaining works should be complete by the end of the construction season, portal 058.ba reported.

Except from the road and the bridge, there is a plan for a power line to the town of Višegrad, and there is an ongoing land expropriation. The maximum power of HPP Mrsovo is 36.8 MW, the

company said. And it will be connected to the 110 kV network, determined by the power of the HPP and the vicinity of suitable connection terminals with 110 kV voltage. According to the preliminary design, from the aspect of electrical equipment, a solution with three three-phase synchronous generators has been agreed, as well as additional three step-up transformers. Generators will be driven by three vertical Kaplan turbines, each with a rated capacity of 12.43 MW. The dam will be 20 metres high, and the accumulation lake will be 9.5 kilometres long – it will stretch all the way to the Rudo bridge. The construction will last for three years, and the investment is worth EUR 100 million.

According to its website, Comsar Energy Group, headquartered in Geneva and with offices in Bosnia and Herzegovina, Slovenia and Cyprus, is investing EUR 2 billion in a number of energy schemes – production, renewables, infrastructure, trading and network projects – across Southeastern Europe.

July 18

Edison SpA interested in renewable energy sources

After meeting energy minister of the Republic of Srpska Petar Đokić in the entity's capital city Banja Luka, Irene Salerno from Italy's Edison SpA said the company is interested in investing in green energy projects with a capacity of over 20 MW. The Edison's regional manager added the enterprise is interested in starting venture projects with the Power Utility of the Republic of Srpska (ERS).

„We want to focus on the construction of facilities for the generation of power from renewable sources and we are interested to employ all potentials through good energy projects", Đokić said. He told Salerno and Ian Brown, head of the European Bank for Reconstruction and Development's office in Bosnia and Herzegovina, that the entity's energy development strategy until 2030 includes investments of EUR 6 billion, adding that Srpska is open for projects. Brown said the EBRD is ready to support ERS and Edison's common energy projects, Government of Srpska said on its website.

July 23

Local government withdraws MHPP concession go-ahead

City council of Bihać cancelled its approval for granting concessions for mini hydropower plants on Una river at locations of Martin Brod and Dobrenica in Bosnia and Herzegovina's west.

Under public pressure on the local level, but also a national one, mayor Emdžad Galijašević initiated the council session just a week after the approval was adopted with 16 votes in favour out of 28. This time the decision to withdraw local authority's support was unanimous. Local activist Aida Sejdić told Al Jazeera the construction of two MHPPs wouldn't benefit the surrounding population at all, nor the river, as the eco-system would suffer. Also, in her words, one such facility needs only one person to operate it, so employment wouldn't rise, and the canton would earn only EUR 25,000. Furthermore, the projects would jeopardize the possibility for the Una National Park to be added to Unesco's list, Sejdić said.

Galijašević told Al Jazeera the public should be aware there is already a 6.46 MW hydro facility Una Kostela, planned for expansion, and that the two disputed facilities would have capacities of 2 MW and 1.2 MW, unlike a now stalled project by national power company Elektroprivreda BiH for a hydro plant of 74 MW. Elektroprivreda BiH's chief executive Elvedin Grabovica signed an agreement with Galijašević on July 6 to implement a programme, within the reconstruction and expansion of Una Kostela hydro project, of co-funding the rebuilding of bridge leading to the facility with EUR 255,900. The European Bank for Reconstruction and Development co-finances the EUR 14 million project with EUR 9 million, Elektroprivreda BiH said on its website.

The process of approving the environmental impact study for small hydropower plants on Hrčavka river in the Sutjeska National Park was blocked in March by the government.

ROMANIA

June 26

Hunedoara hydro project set to be launched in December

Hidroelectrica, the largest electricity producer in Romania, announced the opening of its hydroelectric power plant in Hunedoara for December.

The facility is on the Strei river in Transylvania and is presently 62% complete, portal Business-review.eu reported. The EUR 58 million investment is for 12 MW of installed power capacity. Overall, the still insolvent state-owned company is planning to build up to seven hydroelectric power plants on the Strei river, which would require an estimated investment of EUR 420 million. Between 2012 and 2014 Hidroelectrica has invested over EUR 270 million in new power plants, according to company data.

"The EUR 58 million investment is for 12 MW of installed power capacity."

The utility set an investment budget of EUR 1.3 billion for 2015–2020. Hidroelectrica went into insolvency in 2012 following a severe drought and several loss-making contracts which generated a combined loss of USD 1.4 billion. After it underwent a restructuring process the company turned to profit and exited insolvency in 2013, but was forced back into insolvency the following year at the request of contract holders. Following an in-depth investigation, the European Commission said in June that electricity supply contracts signed by Hidroelectrica did not involve state aid within the meaning of the EU rules.

Hidroelectrica recorded a profit of RON 725 million (EUR 161.9 million) from the first six months of this year, 42% more than in the corresponding period of last year. Turnover was also higher by almost EUR 67.77 million year on year. The increase was due to an output of 9.6 TWh, compared to 8.5 TWh in the same period last year.

July 6

Electrocentrale completes 1.7 MW photovoltaic project

The electric photovoltaic power plant at Chiscani in eastern Romania has been launched in the presence of Andrei Gerea, Minister of Energy, Small and Medium-Sized Enterprises and Business Environment.

The project worth EUR 2.45 million has been developed by Electrocentrale Grup as the beneficiary and the association of Tractebel Engineering Romania as consultant and project manager, Electrasol Proiect as contractor and Electrica Distributie Muntenia Nord as network operator, The Diplomat magazine's portal said in a report. The 1.7 MW project in Brăila county has been developed with funds secured by Electrocentrale, on almost 40.000 square meters of company's land.

Work has been completed in February and the network connection has been put in place in June. Electrocentrale is controlled by the government through the Ministry of Energy. It was established in 2013 following the split of Termoelectrica SA, before the company had started the liquidation

procedure, according to the agreement signed by the Romanian state with the International Monetary Fund and the World Bank.

July 10

Norway Grants pledge EUR 26 million for green projects

Romania's private enterprises and non-governmental organizations will be awarded with funds for ongoing projects by the Green Industry Innovation Programme, funded by Norway, Business Review's portal reported. Out of 53 entities, 32 are partnerships by companies or NGOs from both countries. Norway Grants allocates EUR 26 million for job creation, reduction of carbon-dioxide emissions, energy efficiency, waste collection and treatment, new green products and more, the organization's officials said. The aim is to increase the competitiveness of enterprises and raise public awareness on the advantages of green production and green products and services.

> *"The organization finances job creation, reduction of carbon-dioxide emissions, energy efficiency, waste collection and treatment, new green products and more."*

Total amount disbursed through June for projects under the programme is EUR 5.9 million (25.18%) for large individual projects and EUR 905,905 (29.5%) for small grants scheme. Several of the projects under implementation are from the waste sector. This can be explained by the current market potential of unexploited selective waste collection and recycling segments.

Most entities receiving support are from the small and middle segment, indicating interest in obtaining non-reimbursable aid is correlated with limited capacity to access capital markets, the report said. More than 50% of projects under implementation relate to the improvements of processing facilities, by purchasing equipment that will increase productivity and, at the same time, optimizing the expenses for raw material, utilities, CO_2 emissions and, most importantly, creating 470 new jobs, the magazine said.

Green Industry Innovation Programme Romania is designed to contribute to the reduction of economic and social disparities in the European Economic Area and to strengthen bilateral relations. It is managed by Innovation Norway, a public entity under the Norwegian Ministry of Trade and Industry.

A EUR 4 million project designed to collect recyclable waste from households was implemented by Total Waste Management and co-financed with grants of EUR 1.4 million from the Government of Norway.

July 11

Government gets EU funds for financing energy, transport

Close to EUR 9.5 billion for investments in projects on environment, energy and transport, by means of the Operational Program for Major Infrastructure of Romania (POIM) for 2014–20, was set by the European Commission, its resident office announced.

Under the EU cohesion policy, EUR 23 billion were earmarked for the country. When taking into account the co-funding from the national budget, the programme is worth more than EUR 11.8 billion and it is aimed at the growth of the economy and the creation of jobs, the office explained, as quoted by the Independent Balkans News Agency.

> *"Allotment for the energy sector within POIM 2014–20 is EUR 600 million."*

According to a release of the Ministry of European Funds, POIM 2014–20 ensures funding the main development priorities of Romania on the transport sector by an allotment of EUR 6.8 billion (EUR 5.1 billion being contributed by the EU); the environment sector by an allotment of EUR 4.47 billion (EUR 3.8 billion in EU money); and the energy sector by EUR 600 million (EUR 520 million contributed by the EU).

Romania is slated to get EUR 39.8 billion in the current EU's budget cycle 2014–20, up from EUR 19.8 billion allotted during the 2007–2013 cycle. But the country's been having difficulties in drawing EU funds, with the European Commission warning early this year Romania's absorption rate is under 60%, below the EU average by 20 percentage points. This is the final year Romania can still use funds of the previous budget cycle of the European Union.

July 14

Grid set for 60 MW of power capacity from renewables

Several units generating power from renewable sources, from overall investments of over EUR 100 million, may soon be connected to the grid, Romanian news agency Act Media said, citing a Mediafax report.

The national network is preparing to add 40 MW from wind power stations Babadag of 3–30 MW and Casimcea of 1–10 MW, plus 18 MW from a photovoltaic facility of Onești and 15 MW from a biomass-fuelled power station of Reci, domestic system and transmission operator Transelectrica said. Estimated costs of all the investments, differing by energy source, amount to a total of over EUR 100 million.

"According to the development plan for 2014–23, net production of electricity of Romania could grow to 68 TWh in 2018 and to 77.4 TWh in 2023."

Installed power in the system on April 1 was 22.3 GW: hydropower's share was 28.5%, coal's 25.6%, and other hydrocarbons' was 20.3%. Wind power had a 13.2% share, nuclear had 6.3%, the capacity of solar comprised 5.4% while the part of biomass was 0.45%. Only 0.05 MW was being generated from geothermal energy. Production of electricity nationwide was 60.6 TWh last year, 11.3% more than in 2013.

Growth of domestic production was determined by the increase of the domestic consumption in 2014 by 1.9% and of the balance of electricity traded across borders by 254.7%, Transelectrica's data showed. According to the development plan for 2014–23, net production of electricity of Romania could grow to 68 TWh in 2018 and to 77.4 TWh in 2023. The same document shows that 80% of the thermal power facilities are overdue. Moreover, the grid development analysis included a programme of withdrawals from exploitation of some thermal plants when they reach the end of their lifetime or due to reduced efficiency and non-compliance with the requirements of the European Union regarding pollution.

July 13

Investments of EUR 30 billion needed in energy sector

Government of Romania has extended the implementation period for the „District Heating – Warmth and Comfort 2006–2015" programme until 2020. It includes various investments in the generation, transmission and distribution of thermal energy. A total amount of EUR 480 million was allocated, Romania Insider reported. However, only EUR 95 million have been used so far. The rest is planned for between 2015 and 2020, reports local Hotnews.ro. The plan is to modernize the thermal power plants, but also to increase the quality of thermal energy supply services, by reducing the system's losses. It also supports combined heat and power plants.

Romania's energy sector requires about EUR 30 billion investments in the next 15 years, and most of them should come from the private sector, Catalin Pauna, World Bank's economist in Romania, said earlier this month. Legal framework should be adequate in order to attract direct investments, she added. The local power exchange platform Opcom is one of the most transparent ones in the European Union, Pauna said. „I've seen increasing volumes of electricity traded on the exchange. Wholesale prices have dropped significantly in the last 2–3 years," the World Bank's representative added.

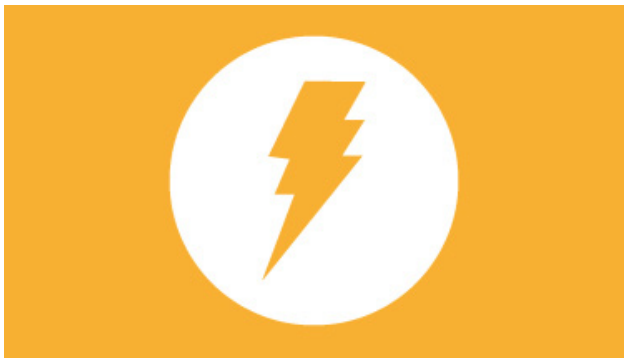
Meanwhile, Enel Distribuţie Muntenia announced the start of modernization works on the North substation (high/medium voltage), which serves approximately 100,000 clients in the northern area of Bucharest, as well as parts of the central area of the city. Modernization and consolidation works require an estimated investment of RON 54 million (EUR 12 million). The station will have an installed capacity of 200 megavolt-amperes. Protection boards and auxiliary services panels will be replaced with boards equipped with new protection terminals and new auxiliary services panels, so that the substation will be integrated in the remote control system, the distributor said.

Enel Distribuţie Muntenia has also completed the upgrading works of the high/medium voltage substation in Chitila, Ilfov; the station provides power to over 17,000 customers. The modernization works required an investment of EUR 3.32 million, the company said. The 110/20 kV substation supplies electricity to over 17,000 customers. The substation now has an installed capacity of 80 megavolt-amperes.

Romanian electricity distributor Electrica's shareholders have approved its investment plan for this year, which amounts to over EUR 193 million. Electrica has about 3.5 million customers, through its distribution subsidiaries and six energy services companies. The company recorded a net profit of EUR 63 million last year, up sevenfold compared to 2013.

July 17

Romania interested in exporting power to Serbia



During his visit to Serbia on July 16, Romania's president Klaus Iohannis said his country is interested in exporting electricity to Southeastern Europe's markets, including Serbia. The exports could be made through specialized companies that operate on the two markets, he added after meeting his Serbian counterpart Tomislav Nikolić, Business Insider reported.

Romania and Serbia have several common economic projects, such as the Timișoara–Belgrade highway and energy interconnectivity. Last year, Romania's Oltenia energy company (CE Oltenia) closed a deal with the Serbian authorities to export coal. The contract, which went through an intermediary firm, was suspended this year.

July 21

Photon Energy subsidiary expands to Romania

Solar power solutions and services company Photon Energy said its subsidiary Photon Energy Operations expanded to Romania, SeeNews reported.

The company takes over the full monitoring, operations and maintenance of three power plants with a capacity of 11 MW based in Oradea, in the northwestern part of Romania, according to a statement filed with the NewConnect stock exchange in Poland. Photon Energy NV has five divisions of expertise that together cover the entire lifecycle of solar power systems. Photon Energy is headquartered in Amsterdam, Netherlands and has offices in Germany, Australia, Czech Republic and Slovakia.

BULGARIA

June 25

Audit reveals lag behind national biofuel targets

National Audit Office has cautioned in a report that the country is failing to meet biofuel production and use targets, Sofia news agency Novinite said.

According to an audit of the implementation of the European Union targets from 2008 to 2012, Bulgaria is delaying the adoption of obligatory sustainability criteria for biofuels. Also, consumption of biofuels is low, and the growth rate of the biofuel share has decelerated. According to the report, the government needs to take urgent steps to introduce an appropriate mechanism to observe the sustainability criteria for biofuels, which will be effective if the compliant market participants are awarded a price premium as an incentive.

In order to comply with EU rules, Bulgaria has set mandatory targets of 10% share of renewables and biofuels in transport and 6% share of the total greenhouse gas savings, taking into account only biofuels and liquid fuels for transport that match established sustainability criteria, the article at Novinite.com said.

June 26

PPC's subsidiary firm granted trading license

Greece's main electricity utility Public Power Company (PPC) said its subsidiary firm established in Bulgaria has been granted a trading license by the neighbouring country's regulatory authority for energy.

The subsidiary, which PPC controls with an 85% stake, was founded by the Greek electricity corporation as part of its wider strategy to enter markets in Southeastern Europe, Energy Press portal reported.

July 6

CEB secures credit line for Bulgarian Development Bank

БЪЛГАРСКА БАНКА ЗА РАЗВИТИЕ

The Administrative Council of the Council of Europe Development Bank (CEB) has approved a credit line in the amount of EUR 150 million for Bulgarian Development Bank (BDB). The funds will be used for special purpose financing under the National Programme for Energy Efficiency of Multi-family Residential Buildings in the amount of up to BGN 1 billion (EUR 510 million).

The contract is the first step in the process of providing low-interest financial resources for the implementation of the programme for renovation through a guarantee issued by the state, BDB said.

National Programme for Energy Efficiency was adopted by Bulgaria's government on January 27. It foresees grants for owners of private residential buildings with no less than 36 apartments built under an industrial method. The programme will help reduce household energy bills and will extend the life cycle of buildings, the press release said.

July 10

Bulgaria interested in Montenegro–Italy power link

Prime minister Boyko Borisov has suggested at a meeting with Montenegro's president Filip Vujanović for Bulgaria to use the high-voltage submarine link between that country and Italy, which is yet to be completed, in order to export electricity, Hellenic Business Council in Bulgaria reported on its website.

Borisov and Vujanović met at the Council of Ministers' building in Sofia, according to the press-office of the Bulgarian government. The two discussed opportunities for cooperation in the spheres of energy and tourism.

Work is currently underway to update the existing agreement in the sphere of tourism and the launch of a direct flight Sofia-Podgorica is being discussed, according to the media statement. The implementation of the measures included in the bilateral program for scientific and technical cooperation is also expected to have a positive economic impact. Borisov confirmed Bulgaria's support for Montenegro's accession to the European Union and NATO and offered help in the negotiation process.

July 12

Bosch sells five solar parks for EUR 10 million

Businessman Nedko Mladenov's company BCI bought five photovoltaic parks near Kazanlak in Bulgaria from Bosch Solar Energy for EUR 10 million, Capital.bg reported. He is the head of BCI Kazanlak Holding, which used to manage the facilities. The solar power plants of 4.98 MW each have been connected to the grid since July 2, 2012. The deal was concluded in April, with a EUR 10 million loan from Investbank, even though the value of the shares was symbolic, documents filed to the Commercial Register show, the article says.

Original intention of Bosch Solar Energy is to participate only as a subcontractor of solar energy projects in Bulgaria, according to statements of the company's representatives to the media. However, it financed the five projects and has been trying to sell them since they were constructed. The company manufactures solar panels and has offices in Australia, India and the United States. Acquired businesses had an annual turnover of just over BGN 8 million (EUR 4.09 million) in 2013, documents show. Assets are estimated at EUR 35.81 million.

Transactions in the sector are rare, because the environment is very uncertain, the article said.

July 14

EU secures EUR 29 million for transmission line

European Commission said European Union Member States agreed on its proposal to allocate EUR 150 million to key trans-European energy infrastructure projects, including maximum financial assistance of EUR 29 million for the construction of a 400 kV overhead transmission line between Maritsa East and Burgas in Bulgaria. The applicant was Elektroenergien Sistemen Operator EAD and the internal connection is part of a cluster of four lines increasing the connectivity between Bulgaria and Greece.

> *"Internal connection is part of a cluster of four lines increasing the connectivity between Bulgaria and Greece."*

In total, 20 projects were selected following a call for proposals under the Connecting Europe Facility (CEF), an EU funding programme for infrastructure. The selected projects will increase energy security and help end the isolation of member states from EU-wide energy networks, the press release said. They will also contribute to the completion of a European energy market and the integration of renewable energy sources into the electricity grid.

Seventeen projects relate to studies, such as environmental impact assessments (EUR 30 million), and three to construction works (EUR 120 million). Eleven are in the gas sector (EUR 80 million) and nine are for electricity (EUR 70 million).

A total of EUR 5.35 billion has been allocated to trans-European energy infrastructure for the period of 2014-2020 under the CEF. In order to be eligible for a grant, a proposal must relate to a project included in the list of projects of common interest.

July 24

Svilosa paper mill investing in cogeneration

Planned power and heat generation in paper producer Svilosa AD will be able to burn biomass produced by the waste water treatment plant of the nearby town of Svishtov, on the Danube, Publics.bg reported. The Bulgarian company will invest EUR 30 million in cogeneration. The mill will also be boasting a new substation which should be ready by the end of 2015, Krasimir Datchev, majority owner of Svilosa, told journalists on July 22.

The new cogeneration is part of a vast investment programme worth EUR 250 million. It is meant to boost the production capacity of Svilosa, which exports 95% of the bleached hardwood craft pulp it produces. According to Borba daily, the company is directing its efforts towards sustaining its current production capacity of 150,000 tonnes per year, before going for the 200,000 tonnes milestone.

FYR MACEDONIA

July 5

Bogdanci 36.8 MW wind farm starts regular operation

ELEM (Macedonian Power Plants) said the country's first wind power plant with 16 turbines has commenced regular generation of electricity. Bogdanci facility is worth EUR 55.5 million and it is expected to generate over 100 GWh a year, enough to meet the needs of 60,000 people, according to a report on Reve review's website.

Prime minister Nikola Gruevski and director of ELEM Dejan Boškovski visited the 36.8 MW power plant located in Ranavec–Bogdanci. In the 11 months of its setting into operation, the wind power plant met the annual production projection, Independent.mk portal said. The turbines are product of Siemens Danmark and are considered among the best of their class, ELEM said. The installed capacity of each turbine is 2.3 MW, the height of the pole is 80 meters and the diameter of the rotor blade is 93 meters.

The project's value is 55 million euro. German development bank KfW has lent EUR 47.9 million, while the remainder came from ELEM's own funds.

GREECE

June 24

Geothermal heating for smartphone-controlled garden

Prototype greenhouses have been developed by the Technological Educational Institute (TEI) of Thessaly within the LIFE+ programme co-financed by the European Commision, Athens–Macedonian News Agency said. In a report published by E-typos.com, project coordinator Alex Papachatzis noted the utilization of geothermal heat pumps reduces the use of solid fuels by up to 75% at times, while a closed-cycle system for water can bring its expenditure down even by 90% in addition to a significant increase in organic vegetable production.

Adapt2Change (Adapt Agricultural Production to Climate Change and Limited Water Supply) is a project worth over EUR 2.5 million, launched in Greece and Cyprus in 2009 by three universities, one research centre and one company. The technology from the largest LIFE+ project in Greece can be applied in agricultural industry – water usage, temperature and other conditions can be controlled from a smartphone, according to a report by Thessalia TV.

July 9

Tilos island installing autonomous green energy system

Small Dodecanese island of Tilos combines power generation from renewable energy sources with storage in developing an autonomous smart grid, WWF Greece said. The multinational European demonstration and research project has 15 participating enterprises and institutes from 7 European countries. It aims to demonstrate the potential of local-scale energy storage to serve a multi-purpose role within an island micro grid in communication with a main electricity network.

On July 7–9, Tilos hosted the second meeting of representatives of the 15 partners and they discussed the progress and timetable for upcoming works. The project aims to demonstrate the large-scale penetration of renewables through integration of a power station, advanced battery storage, distributed, domestic heat storage, and equipment for demand-side management.

The isle of 780 residents has been hitting the news in relation to the influx of refugees migrating from neighbouring Turkey by sea. It is one of the Natura 2000 Birds Directive Sites. The place covers its electricity needs through an underwater interconnection to the island of Kos, where a diesel-oil power station is operated. Due to underwater cable faults, Tilos suffers from frequent and long-lasting blackouts.

The system will rely on a medium-sized photo-voltaic park, due to become operable in October, and a small-scale windmill to generate power, in tandem with prototype storage based on Fiamm's $NaNiCl_2$ batteries. The complete hybrid micro-grid system should come online in the next two years.

Apart from Tilos, the project engages the islands of Pellworm, La Graciosa and Corsica for transfer of technological experience. The endeavour has been included in Horizon 2020, the largest EU innovation funding program, and is headed by a research team from the Laboratory of Renewable Energy and Environmental Protection from the University of Piraeus.

July 13

Greek renewable power projects stalled by turmoil

Ambitious projects will be on hold for some time, due to the risk of Greece exiting from the eurozone, EurActiv and Reuters said in a report.

Two sources said at least four major solar and wind projects had stalled. Decisions to invest are on hold as there is too much risk, according to one, while the other expressed doubt that investors will start projects any time soon, even with an agreement between the government and the creditors. The country's target is to meet 40% of its electricity demand from renewables by 2020.

Frost & Sullivan forecasts the fall in investments would result in share of power generated from renewable energy sources reaching no more than 20%. The government in Athens changed the support scheme in 2012 and wound back a lot of the incentives for renewable energy, said Jonathan Robinson, the research consulting firm's principal consultant. The state has been cutting incentives for years, just like other countries hit by financial crisis, according to sources quoted in the report. Time is needed to get back any confidence, says Virginia Murray, partner with law firm Watson Farley & Williams, adding that investors would be certain the crisis had passed in at least three to six months.

CYPRUS

July 9

Short-term levy imposed for viability of renewables

The parliament approved a 'temporary green tax', deemed necessary by the government to ensure the viability of the Renewable Energy Sources Fund, local media said. The fee charged to all electricity consumers was raised to 0.65 euro cents per kWh from 0.5 euro cents per kWh. The increase applies until the end of the year. The government's initial intention was to raise the fee to 0.75 cents, but members of parliament accepted an amendment by the Greens' George Perdikis. Producers are also going to contribute to the fund, which has run into difficulties due to falling fuel prices.

Cyprus Energy Regulatory Authority (CERA) Chairman George Siammas said on July 5 a 2% increase on electricity bills was anticipated for July due to a rise in the international price of fuel. "Everyone knows the price of electricity was reduced by close to 40% over the past two years, this month is seems there will be a 2% increase," he added, as quoted by In-cyprus.com. He said no one could predict international oil prices but the general assumption was there would not be any significant divergences before the end of the year. Siammas also said changes to the international price of oil automatically resulted in a change to the amounts paid by consumers.

Also, as reported by Phileleftheros, CERA has announced a 5% increase to the coefficient of fuel adjustment, raising it from 0.00119 cents to 0.00125 cents. The per unit (kWh) charges are automatically adjusted to cover any increase or decrease in the cost of fuel per metric ton. The charge is calculated on the basis of the current and basic fuel price. The price of KWh charged shall be increased or decreased every two months by the value of the coefficient of fuel adjustment currently in force for every 5 cents increase or decrease in the basic price of EUR 300 per metric ton of fuel. Also, fuel price jumped 4.2% from June.

> *"Cyprus Energy Regulatory Authority has announced a 5% increase to the coefficient of fuel adjustment."*

The Renewable Energy Sources Fund covers the difference between the price at which the Electricity Authority of Cyprus (EAC) buys energy from producers from renewables according to avoidance costs and the producers' overall production costs, which is a stable tariff set out in their contracts. The power utility pays producers the total amount owed and subsequently files for compensation from the fund. In order for the fund to be viable, the avoidance cost – essentially the cost of fuel – must be 11 cents per kWh. But due to the global drop in crude prices, the avoidance cost currently stands at 7.44 cents per kWh. Operators of renewable energy signed long-term contracts with the government, at fixed tariffs, and are unwilling to be taxed. The new measure is expected to result in an additional revenue of about EUR 3.5 million.

ALBANIA

June 26

Energy ministry starts first wind park project

Government of Albania announced the installation of the country's first aeolic power plant in Kurbin area. The plan by the Ministry of Energy and Industry was approved and featured in the official bulletin. An operator is to install the 12 turbines of 92 meters, at a total cost of EUR 54 million, according to an Albanian Telegraphic Agency report published by the Invest in Albania portal.

The 36 MW park will be constructed within eight months from the beginning of works and the company will have to report its progress to the ministry, the article said. The facility is expected to be active for 30 years.

Sources from the Albania Energy Association cite it is foreseen that 4% of the total amount of electric energy generated in the country (around 400 GWh per year) until 2025 will be from wind, the report said.

July 9

Norway assists in plans for energy exchange

Minister of Energy and Industry Damian Gjiknuri announced that Albania will finally establish its energy stock market in cooperation with the Norwegian government. At a press conference, he said the project is conceived based on Norway's platform, according to a report on Invest in Albania portal. The exchange will be a mechanism for physical and financial transaction of energy volumes, the minister added.

The decision follows the voting of the new bill on electricity sector, as Albania is taking steps to liberalize the energy market. Meanwhile, there will also be legal amendments in order to create a new market model, Independent Balkans News Agency said.

The development and the expansion of a liberalized energy market is a very important step for the regional energy market, according to Gjiknuri. „The meeting for the creation of the energy stock in Albania defines the agenda for the liberalization of the energy market. We have started discussions for liberalizing this market with Kosovo... The unification of Albania's and Kosovo's energy markets and the construction of 400kv interconnection line with Macedonia are our prior projects in this sector. The bigger a market is, the bigger will be the financing of energy projects and the alternation of energy sources and these raise the security in the energy sector in the region," he underscored. According to the minister, it is forecasted that in 2020 Albania will be connected with all countries in the region.

> *Gjiknuri: The bigger a market is, the bigger will be the financing of energy projects and the alternation of energy sources and these raise the security in the energy sector in the region.*

Gjiknuri added the government is working for the improvement of the renewable energy legal framework and for the gasification process in TAP project. He praised the latest incentives for the liberalization of the energy market in Albania. According to him, steps are being taken with neighbouring countries to join markets and to create bigger ones, as it's the case with Kosovo.

„Several efforts are being made under the supervision of the Energy Community for the creation of joint offices for the allocation of capacities, something that makes these countries connect to each other and be more liquid. Once they're more liquid, there are more financial guarantees for investments," Gjiknuri said.

July 13

Agreements with Germany include funds for dam security

The parliamentary Law Commission approved the ratification of two cooperation agreements between Albania and Germany in the energy field, Albanian Telegraphic Agency said. According to the deputy Minister of Energy and Industry Ilir Bejtja, for the first time an efficiency fund will be established through the bank system, to support investments in saving energy at small and medium sized opportunities, in houses and municipalities, portal Invest in Albania reported. The second agreement is a grant for the maintenance of Drini cascade.

Ahead of chancellor Angela Merkel's official visit on July 8, six financial cooperation agreements were signed by German ambassador Helmut Hoffman and Albanian vice premier Niko Peleshi and ministers of finance and economic development Shkëlqim Cani and Arben Ahmetaj. The deal consists of Germany's grants of EUR 1.5 million and loans of EUR 106 million, Associated Press said.

Most funds will go to the electricity sector, with EUR 40 million for monopoly power producer KESH and EUR 20 million for security of hydropower dams, Reuters reported. Development projects are underway to improve water and power supply as well as waste water systems.

July 23

Italy gives EUR 16.5 million for electricity system

Ministry of Energy and Industry and the Italian government signed a memorandum of cooperation for EUR 16.5 million, as part of projects from previous financial programs supported by Italy in the energy sector. The agreement was signed by the minister of energy and industry Damian Gjiknuri and the Italian ambassador to Albania Massimo Gaiani, Albanian Telegraphic agency said. Heads of Transmission System Operator (OST) and electricity distribution operator Oshee also attended the ceremony.

This grant will be invested in the transmission and distribution aspects of electric power and the increase of efficiency in this sector, portal Invest in Albania reported. Albanian minister stressed the importance of the support from the Italian government in the implementation of several projects in the electrical energy sector in the country. „We will invest in the towns of Himara and Saranda in the transmission and distribution aspects, in order to improve the network in these touristic areas," according to Gjiknuri.

In turn, the Italian ambassador Massimo Gaiani declared: „With this grant we close projects which we started several years ago, at a total worth of EUR 93 million". This grant will empower the energy potential in southern areas and will expand the data control system in all substations of 110 kV.

"The grant closes projects worth EUR 93 million, financed by Italy and started several years ago."

Earlier, Gjiknuri inspected works on construction of a new electricity control and dispatch centre and OST's headquarters. The EUR 23 million endeavour is part of a series of projects financed through a loan by the Italian Development Cooperation. Works are expected to be completed this autumn. The project includes installation of a Scada/EMS system, telecommunication system, laying optical fibres, adoption of the plants to include all production and power transmission facilities, as well as substations.

July 24

Private HPPs bring power generation boom, report shows

New small hydropower plants and the privatization of several medium-sized ones have increased private sector electricity production in Albania to almost a fifth of total production, a report by the Albanian Energy Regulator (ERE) for 2014 shows. It says the private electricity

production market in Albania was worth ALL 8.1 billion (EUR 58.2 million).

According to an article in Balkan Insight, last year 13 new private HPPs with a total installed capacity of 37 MW were connected to the grid. Private production of electricity in Albania started in 2000 when dozens of SHPPs, mainly built during the Communist era, were privatized. The market grew fast after 2008, when the government signed hundreds of concession agreements to build new HPPs under the promise of long-term purchasing agreements.

"Last year 13 new private HPPs with a total installed capacity of 37 MW were connected to the grid."

About 98 private HPPs are currently producing electricity in Albania with a total installed capacity of 294 MW, the regulatory authority's report said. Ashta hydropower facility, an Austrian downstream plant built over the Drini river in northern Albania, is currently the biggest producer. This 50 MW plant produced about 200 GWh during 2014. Devoll Hydropower project is the biggest under construction. It should be completed by 2019. Albania has still plenty of other rivers that could be used for electricity production, but this lucrative business has also caused concerns about potential damage to the environment.

Licenses for the construction and use of 30 HPPs throughout Albania were cancelled in late April by the country's government for „failure to meet obligations," after members of the European Parliament called on it to reconsider the plans. Prime minister Edi Rama's cabinet earlier cancelled several hydro projects which were approved in the last meetings of former premier Sali Berisha's government, Independent Balkan News Agency said in a report. In a draft resolution on Albania's progress towards the EU on April 15, the European Parliament has called on the country's government to reconsider plans for the construction of HPPs in the country's protected areas, including the current building of a plant on the Lengarica river in the south (pictured here), citing environmental concerns, Balkan Insight news site reported.

June 24

USTDA strengthens support for geothermal energy

United States Trade and Development Agency (USTDA) awarded a grant to Turcas BM Kuyucak Jeotermal Elektrik Üretim AŞ (TBK), a Turkish joint venture owned primarily by BM Holding and Turcas Energy Holding. The grant funds a feasibility study that will evaluate the technical and financial specifications for a geothermal energy project with a capacity of 13.2 MW, the agency said in a press release.

„We are very proud to have supported, either directly or indirectly, a substantial amount of Turkey's more than 300 MW of operational geothermal energy," said Heather Lanigan, USTDA's country manager. „This project in Kuyucak will expand on that success, and will also build upon USTDA's continued efforts to support renewable energy deployment in Turkey."

This grant is USTDA's third feasibility study supporting geothermal development in Turkey, and follows the implementation of two USTDA-supported projects by Gurmat Energy Investment and Trade Co. and Zorlu Energy Group. To facilitate further collaboration, in 2013, USTDA hosted Turkish delegates on a weeklong reverse trade mission that familiarized participants with U. S. geothermal energy expertise, products and services. Building upon the success of the RTM, in 2014, USTDA organized a workshop in Ankara that brought together experts and companies from both Turkey and the United States to discuss new technologies, best practices and upcoming project opportunities, the agency said.

June 25

Watchdog pre-licences largest biomass facility

Turkish Energy Market Regulatory Authority (EMRA) gave the preliminary go-ahead for the construction of the country's biggest biomass-fuelled power plant, Enerji Enstitüsü reported. Agricultural producer Mutlular Group's subsidiary plans to install 30 MW of capacity by the end of next year in Balıkesir in Turkey's midwest. Paddy stems from rice fields will be the main fuel, while forest residue, animal manure, and other agricultural residue will also be utilized in reactors to produce steam to power turbines, Anadolu Agency's Energy News Terminal reported.

Mutlular Enerji has an ongoing investment project worth USD 100 million (EUR 89.71 million) including this facility. EMRA issued permits and preliminary licences for biomass-powered electricity generation capacity of 417.7 MW through this year's June, of which 203.9 MW is installed so far.

In accordance to the legislation on energy from renewable sources, Turkey's feed-in tariff rate for power from biomass is USD 0.133 (EUR 0.119) for generators completed between 2005 and 2015, with an 85% discount on transmission costs for 10 years and bonus payments for hardware components for all producers from renewables.

June 26

Nation's biggest hybrid power plant activated in Izmir

Gediz University launched the largest combined solar and wind power system in Turkey. The hybrid electric generator was built on Seyrek Campus in Izmir.

The 500 kW facility is located in the 3,000 square meter student car park area. It can meet the electricity demand of around 100 houses, Daily Sabah reported. The project costs TRY 2.2 million (EUR 760,000) and it has been co-financed with EUR 340.000 from the Renewable Energy and Environment Technologies Financial Support Program of Izmir Development Agency. The plant consists of 1,600 solar panels and a wind turbine, generating an equivalent of 60% of the university's electricity demand and saving around USD 130,000 per year. Chairman of the Board of Trustees Abdullah Kavuk stated one of aims was to highlight the wind and solar energy potential of the city of Izmir and raise awareness of eco-friendly energy among students and societies.

The plant will also be used an application centre to train technical staff for the renewable energy industry and serve as a research and education laboratory by the Faculty of Engineering and Architecture.

June 28

Istanbul to expand its Odayeri waste-to-energy plant

Turkey's most populated city will fund the capacity extension of the country's largest waste-fuelled thermal powered facility with TRY 6.5 million (EUR 2.24 million), Anadolu Agency's Energy Terminal said. Istanbul is preparing to increase the Odayeri plant's size from 35.4 MW to 45.3 MW, the report said. The plan is to raise daily generation from 271.8 GWh to 364 GWh. So far, four biomass plants were launched in the city, with an overall capacity of over 50 MW. Last year, the 348.2 GWh they generated was equivalent to the demand of 126,000 families, the agency said.

Istanbul Environmental Management Industry and Trade Inc. (İSTAÇ), a subsidiary of the Istanbul Metropolitan Municipality, put the Hasdal, Kömürücoda and Odayeri treatment and energy generation facilities into operation between 2001 and 2013 in an attempt to convert landfill gas into electrical energy, Daily Sabah reported. The Hasdal Landfill Site Energy Generation Plant and the Odayeri Treatment Facility generate electricity of 2 megawatts (MW) of installed capacity, while the Odayeri Energy Generation Plant and the Kömürücoda Energy Generation Plant produced electrical energy of 34 MW and 14 MW installed capacity, respectively.

June 29

EBRD co-finances country's largest geothermal plant

Güriş Holding subsidiary's Efeler geothermal project put its fourth, 22.5 MW binary cycle unit into use and the company secured a USD 200 million (EUR 180.6 million) loan by the European Bank for Reconstruction and Development, alongside additional 15-year loans of EUR 293.52 million from Türkiye İş Bankası AŞ (İşbank), EUR 117.4 million from Turkiye Sınai Kalkınma Bankası AŞ (TSKB) and EUR 58.7 million from the Black Sea Trade and Development Bank (BSTDB). The plant's five units are situated near the western town of Germencik, in the Büyük Menderes graben, the area in Turkey with the greatest potential for geothermal energy, EBRD noted in a report.

"All the units of the Efeler geothermal plant will be operational by the end of this year, head of Güriş says."

When completed later this year, the facility will reach 170 MW, making it one of the ten largest geothermal plants in the world, the bank said. It will also increase the amount of installed geothermal capacity in Turkey by about 30%. Turkey is aiming to add 34 GW of hydropower, 20 GW of wind energy, 5 GW of solar energy, 1 GW of biomass and 1 GW of geothermal to its energy mix by 2023. Only 427 MW of geothermal energy capacity has been developed, the report added.

Nandita Parshad, director for power and energy at EBRD, said: „Geothermal technology combines high efficiency with renewable energy and can also serve to satisfy baseload demand. If the country realized all of its potential of 4 GW geothermal, it would be equal to adding a further 12–15 GW of wind or solar power."

Müşfik Hami Yamantürk, Güriş Holding CEO, added: „With this support, all the units of the Efeler geothermal plant will be operational by the end of this year, which will increase Güriş Holding's total renewable capacity to over 435 MW. We believe in the importance of using renewable resources and will reach a renewable portfolio of 1150 MW by the end of 2018 when all projects that are currently under construction will become operational."

Previously the EBRD has financed four geothermal projects through Turkish commercial banks. The bank is also planning to provide finance and advice for companies that are starting to invest in geothermal energy, helping them to minimize their exploratory, drilling, technical and financial risks, the report said.

With the support of the EBRD, the Turkish Ministry of Energy and Natural Resources has developed the first National Renewable Energy Action Plan in line with the European Union's Renewable Energy Directive.

July 1

Mecasolar supplies horizontal trackers to solar plant

A total of 47 trackers, using 420 axes of up to 10.8 kW per axis, and 18,960 modules of 240 W nominal power will be installed by Mecasolar (Mecanizados Solares SL) in a new solar power project in Korkuteli in Antalya province.

The company said the delivery of equipment of 4.5 MW to the facility situated 390 kilometers southwest of Ankara strengthens its presence in the Balkans, where it plans to develop 30 MW by 2017. According to Mecasolar, headquartered in Fustiñana, Spain, its 140 kW horizontal single-

axis tracker is a modular, low-height structure characterized by simple assembly, no welding on location and higher output.

In May, the company said it equipped a new solar project in Miroslava, 400 kilometres north of Bucharest, Romania, with 97 dual axis trackers of 10.31 kW and more than 4,170 photovoltaic modules.

July 7

Alcazar Energy gets support for green energy projects

IFC, a member of the World Bank Group, announced its investment of USD 25 million (EUR 22.7 million) in a pioneering power company, to help develop a series of renewable energy projects in the Middle East, Turkey, and Africa, spurring economic growth and helping meet the growing demand for power.

IFC's equity investment will help Alcazar Energy, based in United Arab Emirates, develop and operate renewable energy projects, with a focus on solar and wind power plants, the press release said. „MENA's solar potential alone is massive," says Maroun Semaan, company's co-founder and chairman. „Enough solar energy hits the region every year to satisfy the planet's demand for power. The investment from IFC will help tap into that potential and boost power generation across the region at more competitive costs."

The rapid growth in electricity demand and lagging supply has resulted in power shortages across Middle East and North Africa. According to studies, the demand for power will grow 84% by 2020, IFC said. It is estimated that around $280 billion of investment will be needed over the next five years to meet the region's growing electricity demand.

July 8

German–Turkish partnership launches wind power plants

Borusan EnBW's two aeolic parks in the provinces of Mersin and Çanakkale began operations, while additions to an existing wind power plant in the province of Balıkesir increased the facility's capacity by 30 MW, bringing the partnership's wind facilities to 246 MW, Today's Zaman reported.

Main mission of Borusan EnBW's energy is to benefit the economy via sustainable development - contributing renewable energy plants, said Borusan Holding's CEO Agah Uğur, adding that the company's goal is to reach 2 GW of capacity by 2020 with its portfolio of wind and other renewable sources, and that USD 4 billion (EUR 3.64 billion) will be invested in order to meet the mark. He said the existing portfolio has wind power projects of 470 MW, while 295 MW is in hydroelectric plants, Anadolu Agency's Energy News Terminal reports. The company has wind projects in Harmanlık in Bursa, Koru in Çanakkale (pictured), and Mut in Mersin province, each with 52.8 MW. Mut, located east of Antalya, has 16 Vestas V112-3300 turbines that can generate around 153 GWh per year. The Bandırma (Balıkesir) wind power project has 60 MW and Balabanlı (Tekirdağ) has 50.6 MW of installed capacity. The company›s hydroelectric power plant in Yedigöl (Erzurum) has 50.3 MW. Fuatres wind power plant in Izmir will have 33 MW of installed capacity.

> *Mut plant, located east of Antalya, has 16 Vestas V112-3300 turbines that can generate around 153 GWh per year.*

„It is our ambition to become one of the key energy players in this promising market. Our partnership has existed now for more than five years," said EnBW's chief technical officer Hans-Josef Zimmer. „Turkey faced tremendous economic growth in the past 10 years. As an investor, we believe and hope that the short-term economic irritations will not change the fundamental strengths of the economy. Energy investments are long-term strategic investments. We are confident and a firm believer that Turkey will continue its successful economic growth," he added. Energy Minister Yıldız said Turkey had taken great steps in increasing renewable energy sources, saying that recent growth in renewable energy in Turkey has doubled that of European Union.

July 9

Soma wind farm adds third section, grows to 240 MW

EDF Énergies nouvelles announced the commissioning of the third section of the Soma wind farm in Turkey via its local subsidiary Polat Enerji, 45% owned by the group. This 100 MW extension increases the total capacity of the wind farm to 240 MW. Polat Energy is a joint venture company with Canada's PSP Investments and Polat Holding AŞ, owned by Turkish sports club Galatasaray's former president Adnan Polat.

"The facility previously consisted of two sections of 79 MW and 61 MW."

Located in western Turkey, the Soma wind farm previously consisted of two sections of 79 MW and 61 MW commissioned in 2009 and 2011 respectively, the French company said. The third section of the Aeolic project comprises 50 Enercon turbines, each of them with a capacity of 2 MW. With a total installed capacity of 240 MW, Soma is the biggest wind farm built by EDF Énergies nouvelles in Turkey.

Last year, the company commissioned the Geycek wind farm in central Anatolia, with an installed capacity of 150 MW. Polat Enerji has built eight wind farms in the country, with an overall capacity of 613 MW. In 2013, it commissioned the extension to the Sayalar wind farm (20 MW), and the power plants at Poyraz (54.9 MW), Samurlu (30 MW) and Kozbeyli (32.2 MW). EDF Énergies nouvelles said it has a portfolio of 7.5 GW of gross installed capacity focused for the most part on wind and solar photovoltaic energy.

July 9

Electricity bridge planned with Georgia, Azerbaijan

A new power line will be added to the current energy corridor that runs between Turkey, Georgia and Azerbaijan, Daily Sabah reported. The electric part of the corridor starts with the Baku–Tbilisi–Ceyhan oil pipeline and continues with the Trans-Anatolian Natural Gas Pipeline (Tanap).

Boards came together in Georgia's capital Tbilisi and chose two routes. Deputy Energy Minister of Azerbaijan Natig Abbasov said that the east–west line was named EWEC, while the north–south line was given the name of NOSEC. Stating that a power plant in Samukh–Garbadani in Azerbaijan will support the east–west line, the most significant arm, Abbasov said that electricity supplied from Azerbaijan to the South Caucasian Corridor will enter Turkey through Akhaltsikhe station in Georgia.

"Boards came together in Tbilisi and chose two routes: the east–west line was named EWEC, while the north–south one was given the name of NOSEC."

Another development is expected in electricity distribution. Azerenerji SJC, the largest electrical power producer and distributor in Azerbaijan, is preparing to enter the Turkish market. The company's first project was the Mingachevir hydropower plant with a capacity of 360 MW on Kura river. The company continued to carry out new hydro projects including Varvara, Shamkir, Yenikand, Araz and Vaykhir. Operating power plants that produce electricity from fossil fuels and natural gas, the company has recently also invested in renewable energy.

July 10

Vestas secures 46.2 MW order for Amasya wind project

Şehzade Enerji, a subsidiary of GNCR Holding and Eurowind Holdings, chose Vestas Wind Systems A/S of Denmark to supply V126 turbines for its Amasya wind power project in Turkey.

The order comprises the supply and installation of the 14 turbines as well as a five-year service agreement, Vestas said. The delivery is planned for the first quarter of 2016, whilst turbine commissioning is scheduled for the second quarter of 2016. Upon completion, the power plant is expected to produce about 155 GWh annually, which corresponds to the annual residential electricity consumption of approximately 65,000 Turkish households, the press release said.

„We are pleased to partner for the first time with Şehzade Enerji and to share with them our expertise and capabilities to successfully undertake this project. Turkey plans to expand its wind power capacity fivefold by 2023, so driving down the cost of energy is critical. Vestas's cost-effective and innovative wind energy solutions are helping to reach that goal," says Marco Graziano, president of Vestas Mediterranean.

"Vestas has been present in Turkey since 1984 and has installed 846 MW of wind power capacity in the country."

Vestas has been present in Turkey since 1984 and has installed 846 MW of wind power capacity in the country, corresponding to approximately 23% of the total installed capacity of the country, according to the company's website.

In May, Bak Enerji Uretimi AŞ placed an order from Vestas for the supply and installation of 25 turbines of the same model for the Yahyalı wind power project as well as a 10-year service agreement.

July 16

Exergy commissions low enthalpy geothermal plant

Italian organic rankine cycle (ORC) turbines manufacturer Exergy has begun operations at a new 4 MW low enthalpy geothermal plant in Denizli region in Turkey's southwest, Energy Business Review reported.

The company has completed ORC binary installation, making the Akça plant the world's first facility to be equipped with a 2-pressure-level cycle on a single-disk turbine, the report said. Design enables the plant to generate up to 20% more electricity than competitors, using a single pressure level system. The plant will be operated by Akça Enerji. Performance tests had indicated very high turbine efficiency, over 5% more than the guaranteed figures provided to the customer.

The new binary plant configuration is expected to increase the feasibility of low-enthalpy 3–8 MW range plants down to 100°C and also open up possibilities for Exergy clients to exploit low enthalpy small resources more efficiently and economically than ever before, the firm said.

"Design enables the plant to generate up to 20% more electricity than competitors."

Ministry of Energy and Natural Resources confirmed in June that the plant meets the required performance targets. Akça Enerji will therefore benefit from increased revenues coming from the government feed-in-tariff.

The Italian company has reached a total installed and in-construction portfolio of 270 MW this year, within Europe and a value of production currently estimated at EUR 90 million (300% more than 2014). Geothermal has been the most popular application of Exergy's ORC systems and counts for 90% of the total capacity, followed by heat recovery with 9%.

July 22

Nordex gets contracts for 64.2 MW in string of deals

Three contracts for the installation of N117/2400 and the N117/3000 turbines in Turkey, totalling 64.2 MW, were awarded to Germany's Nordex.

According to its press release, the company will be supplying seven N117/3000 Generation Delta turbines for the Ödemiş wind farm to the new customer Erdem Holding. This order also includes a premium-service contract for a minimum period of five years. The facility is located southeast of Izmir, close to the Aegean coast of Turkey. Hub height is 91 metres. The rotor blades, towers and anchor cages will be produced in Turkey. Under the Turkish feed-in legislation, this will enable Erdem Holding to claim a higher feed-in tariff for the project. Ödemiş is the first wind farm project executed by Erdem Holding, a group active in telecommunications, construction, natural gas distribution, production and recycling, which is now diversifying into energy production and renewable energies.

In order to expand the 30 MW Edincik wind farm to 56.4 MW, Nordex's regular customer Edincik Enerji ordered eleven N117/2400 turbines designed for light wind sites. With the expansion of the wind farm located on the southern coast of the Marmara Sea, Edincik Enerji is executing its second project with Nordex. Back in 2010 and 2012, the customer had ordered Nordex turbines for wind farms in the same region. The contract includes a Nordex premium service agreement for six years, the press release said.

"The rotor blades, towers and anchor cages will be produced in Turkey."

The third new signed contract is for the extension of Bursa Temiz Enerji's 25 MW Bandirma 3 wind farm. Seven N117/2400 turbines will expand the facility close to the port city of Bandirma in the Marmara Region to 41.8 MW. Extension of Bandirma 3 is the second wind farm project from Bursa Temiz Enerji with Nordex.

In June, Nordex announced it will install 19 Generation Gamma turbines N117/2400 for its new customer Are Elektrik in the wind farm of Kurtkayası. For Are Elektrik this is the first wind energy project. Since its foundation in 2009 the company has concentrated on hydropower plants. Kurtkayası is located in the province of Kayseri in Central Anatolia, near the city of Yayhalı. With average wind speeds of around 6.9 metres per second and planned tower height of 91 metres, turbines are expected to generate 148,000 MWh a year, corresponding to a capacity factor of more than 37%, the company said. Thus, the wind farm will provide energy for about 42,000 households.

In Central Anatolia Nordex is installing another 22 turbines for wind farm Yayhalı. An additional new project is for customer Suay Enerji Nordex is installing wind farm Akbük on the Aegean coast, utilizing four N117/2400 turbines, due to the prevailing average wind speeds of 6.6 metres per second.

July 23

Two banks secure funds for renewables from EBRD

European Bank for Reconstruction and Development said on July 15 it secured financing for Garanti Bank AŞ and Yapı ve Kredi Bankası AŞ of USD 180 million (EUR 165 million). The funds will finance mid-sized renewable energy projects implemented by private sector companies, each ranging between EUR 10 million and EUR 40 million, the report on the bank's website said. These include solar, hydropower, wind, geothermal, waste-to-energy and energy efficiency projects.

Financing is extended through an investment in A– rated senior bond notes under the banks' Diversified Payment Rights (DPR) programmes, an established market instrument used by Turkish banks to raise long-term funding in the capital markets. EBRD's funds are made available through the Turkey Mid-size Sustainable Energy Financing Facility (MidSEFF), a EUR 1 billion programme with the European Investment Bank. It is supported by a EUR 5 million grant from the

European Union's Instrument for Pre-Accession in close collaboration with the Turkish treasury. According to EBRD, this grant funding enables it to provide expert advice to its partner banks and to private sector companies seeking finance for their renewable energy and energy saving projects. MidSEFF has financed 42 projects through seven Turkish banks and has created over 700 MW in additional renewable capacity, the report said.

Sylvia Gansser-Potts, EBRD's director for financial institutions in Turkey and southern and eastern Mediterranean, said: „Both banks have a strong track record of on-lending to private companies which invest in mid-sized renewable energy projects. Demand for renewable energy finance in Turkey remains high and both lenders have a strong pipeline for many successful investments in the sector."

Almost half of the bank's total portfolio in Turkey is in sustainable energy and since 2009 it has invested EUR 2.2 billion in almost 60 such projects. According to Nick Tesseyman, EBRD's managing director of financial institutions, it found a good financial mechanism and good partnership with commercial banks in Turkey which works successfully. He told Anadolu Agency that through investments in renewables or clean energy in general, economic growth will be achieved, citing reducing costs and making households and companies more efficient. „We have been here already for eight years in Turkey, which is the biggest country for energy efficiency projects," he said.

July 23

Turkey makes world top ten in green building

The United States Green Building Council's (USGBC) included Turkey in Top 10 Countries for LEED (Leadership in Energy & Environmental Design), its annual ranking that highlights countries outside of the U. S. which are „making significant strides in sustainable building design, construction and transformation," PR Newswire reported. Turkey is now ranked ninth after entering top 10 for the first time. Its strength is in the 258% increase year over year in the amount of gross square meters of LEED-certified space in the country from 2013 to 2014. Measured in terms of newly certified surface, the amount was greater than what the country accomplished in 2011, 2012 and 2013 combined, and this surge in green building activity appears to be a sign that Turkish leaders are focused on increasing energy efficiency in response to the pronounced spike in national energy demand, the report said. Maintaining this form of commitment to transforming Turkey's national built environment holds enormous potential for the country's long term economic and environmental future since 42% of Turkey's net electricity consumption comes from the country's building sector.

The announcement comes at a time of increased international focus on tackling climate change in the lead up to the United Nations' COP21 climate negotiations this December. Rick Fedrizzi, CEO and founding chair of USGBC, said: „Turkey is transforming itself into a hub of innovation for green building and sustainable design. Green buildings are about people and the collective legacy we leave behind."

The 10 countries that made the list for 2015 are geographically and culturally diverse, representing seven of the world's 20 largest by gross domestic product (China, Germany, Brazil, India, Canada, South Korea and Turkey), as well as six of the top 11 emitters of greenhouse gases (China, India, Germany, South Korea, Canada and Brazil).

The analysis used to develop the list ranks countries in terms of gross square meters and numbers of LEED projects to date. LEED-certified spaces use less energy and water resources, save money for families, businesses and taxpayers, reduce carbon emissions and create a healthier environment for residents, workers and the larger community, the press release said. The United States, the birthplace of LEED, is not included in this list but remains the world's largest market for it. It is the world's largest economy by GDP as well as the world's second largest emitter of greenhouse gases.

June 24

Projected renewables' boom depends on grid development

A number of cross-border and internal power lines in the region, as well as the extension of Chaira pumped hydroelectricity storage are crucial for market connectivity and integration of renewable energy sources, European Network of Transmission System Operators for Electricity (Entso-E) pointed out in an updated draft of its grid development plan.

Expected renewable energy growth in the Continental South East (CSE) region and namely in Bulgaria, Greece and Romania, necessitates planning and putting in place of new energy infrastructure to up trans-border capacity and electricity market integration, the organization argued in its draft ten year grid development plan update which oversees energy trends by 2030, portal Publics.bg reported.

CSE region covers the Balkans and Italy. The regional group comprises transmission system operators (TSOs) of Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Greece, Hungary, Macedonia, Montenegro, Romania, Serbia and Slovenia. According to Entso-E, Bulgaria will see tremendous growth of photovoltaic and wind power generation. While in 2012 the country had 1 GW of photovoltaic and 700 MW of wind, Entso-E forecasts 8 GW and 4 GW respectively by the end of the next decade. On the regional level, between 2012 and 2030 photovoltaic capacity will reach 41 GW (up from 5 GW), and wind – 22 GW (up from 6 GW), while hydro should rise to 31 GW (up from 22 GW).

Ambitious estimates

Entso-E however points out that it based its future estimations on „the most ambitious vision," first expressed in the 2014 version of its 10-year plan and far beyond what the TSOs' transmission development plans usually considered up to now and will „require important investments of national, regional and pan-European relevance on the network." Nevertheless Entso-E highlights a number of grid development projects which should help mitigate electricity transportation bottlenecks. A third interconnector between Bulgaria (Maritsa East 1) and Greece (Nea Santa) and a new double 400 kV interconnection line between Bulgaria and Serbia will have to address need to increase the transfer capacity and improve integration. Both projects are considered in the long run, with completion dates set at 2030 and beyond.

"Entso-E points out that it based its future estimations on „the most ambitious vision," first expressed in the 2014 version of its 10-year plan and far beyond what the TSOs' transmission development plans usually considered up to now and will „require important investments of national, regional and pan-European relevance on the network."

The so called Black Sea Corridor, which will comprise three power lines in Romania and one in Bulgaria (Dobrudzha – Burgas), is set for completion in 2021, as vital mid-term infrastructure which should allow for electricity from renewable sources to be transported towards consumption and storage centers in Central and Southeastern Europe. They come in the form of two pumped storage hydro power stations in Greece and Bulgaria, as well as a battery storage in South Italy, all of which should be ready by 2021. The Yadenitsa dam, part of the Belmeken-Sestrimo hydro cascade with its Chaira pumped hydroelectricity storage plant, is designated as a project of common interest (PCI) and is estimated to have the biggest storage capacity among the three – 5.2 GWh.

Proposals for overriding bottlenecks

The most loaded interconnection line is between Serbia and Bulgaria. Significantly loaded ones are mainly located between Serbia and Romania, Bulgaria and Macedonia, Bulgaria and Greece, as Bulgaria and Romania are significant exporters of electricity while Serbia, Macedonia and Greece are major importers, the report said. Serbia and Macedonia are importing in winter time, when specified overloads of lines appeared. Greece is a significant importer in summer months.

In order to answer the overloads occurring in analyzed scenario the representatives of CSE TSOs agreed on a list of new projects. Overload at the borders between Bulgaria and Serbia, Bulgaria and Macedonia, as well as Romania and Serbia will be solved with two new projects: double 400 kV overhead line Sofia West (Bulgaria) – Niš 2 (Serbia) and the doubling of the existing 400 kV Đerdap 1 (Serbia) – Portile de Fier (Romania). Constraints on the border between Bulgaria and Greece, which is observed on the future 400 kV Maritsa East – Nea Santa will be solved by doubling that transmission line. Overload at the border between Romania and Hungary will be solved by building a new 400 kV line Debrecen – Oradea. Furthermore, market simulation results shown the need to increase the capacity on the borders between Serbia and Croatia as well as between Croatia and Bosnia and Herzegovina. New 400 kV Ernestinovo (Croatia) – Sombor 3 (Serbia) line would also resolve overloads on the 400 kV Sandorfalva (Hungary) – Subotica 3 (Serbia) and on the internal Hungarian 400 kV connector Paks – Sándorfalva. There is also a need to upgrade existing 220 kV lines between substations Đakovo (Croatia) and Tuzla/ Gradačac (Bosnia) to 400kV lines.

Transmission hub for Serbia

Two internal projects were nominated in Serbia. The first project consists in upgrading the existing 220 kV voltage network in central Serbia to 400 kV. This project is directly related to increasing the cross-border capacity with Bulgaria, Montenegro and Bosnia and Herzegovina. The second project consists in closing the 400 kV ring around capital Belgrade. This project resolves overloads that were noticed on the overhead 400 kV line Pančevo 2 – Belgrade 20 in common planning studies. Besides, it allows the transit of electricity from Romania towards Croatia and Italy. Other overloads in internal networks of Romania, Greece and Slovenia could be resolved by congestion management measures, the report said.

June 29

Erste: Romania on hold, focusing on Croatia, Serbia

Due to the volatility of the incentive scheme and the continuous regulatory changes, the financing of new projects in Romania is not an option for the moment for Erste Group Bank AG, Markus Kriegler, its head of project finance, told SeeNews in an emailed interview.

Erste is looking into backing mainly small hydro, biogas and biomass projects in the renewables sector in Serbia and Croatia while putting on hold financing in Romania due to its unpredictable regulatory framework, he said.

Erste Group has so far provided a combined EUR 350 million in funding for renewables projects in Serbia, Croatia and Romania.

Nothing bankable over 0.5 MW

Still, Erste is prudently looking at refinancing operating assets in Romania – among the Austrian group's biggest markets in Southeast Europe alongside Serbia and Croatia, provided that modest debt levels allow enough comfort with respect to the persistent regulatory risk. At the moment, Erste is considering only a couple of small photovoltaic and micro-hydro projects in Romania, under 5 MW.

Investment in renewable energy projects in Romania has decreased since January 2013, when the government announced its first intention to reduce the incentive scheme. The move had a negative effect on all types of renewables projects, including facilities already in operation, while making new investments in wind, solar and small hydro capacity exceeding 0.5 MW no longer bankable. Although the reduction became effective in July 2013, the installed capacity

continued to grow as many projects were already under construction, but at a much lower pace, Kriegler said.

Looking ahead, Erste expects an increase in Romania of cogeneration of heat and power using biomass as this is one of the goals set in the draft of the country's energy strategy. Kriegler is adamant that to achieve this, a separate incentive scheme has to be put into place as the one based on green certificates is too volatile to attract investors. „Small projects below 0.5 MW may be sustained through a feed-in tariff scheme to become effective in the third quarter of 2015."

Eyes on legislative boost

In Croatia, Erste is currently looking mainly into small hydro, biogas and biomass. It has approved loans there for two biomass projects, one biogas and three small hydro projects. If the quota for the connection of wind farms to the grid is lifted, there will also be an opportunity to finance further wind power projects with signed power purchase agreements, Kriegler said. Sites suitable for small hydro in Croatia are very limited so the country's biggest renewables potential lies with wind, followed by biomass and, to a small extent, photovoltaics.

The total demand for new renewable energy project finance in Croatia has decreased since January 2014, mainly because a cap on grid connections for additional wind projects halted the installation of new capacity. In addition, a yearly quota for new PV capacity has been introduced. At the same time, Erste believes other segments of the renewables sector have become more attractive for investors.

In Croatia too, Erste expects an increase in biomass- and biogas-fired cogeneration capacity. Although Croatia has a very good wood and agricultural industry, and generally stable sources for sustainable supply of inputs, long-term supply agreements are not easily obtained for biomass or biogas projects.

The volume of investments in renewables projects in Croatia will depend on a new renewable energy law planned to be effective as of January 2016 which provides for the introduction of a premium incentives system instead of a feed-in tariff. „The new law will also affect existing projects, introducing balancing costs for the producers. The other renewable energy technologies – wind and photovoltaic, should be developed in a more sustainable way in Croatia as there are 395 MW of wind projects with signed purchase power agreements based on a feed-in tariff still waiting for the connection cap, or quota, to be lifted," Kriegler said.

Serbia's hydro grows the most

Erste Serbia has so far approved financing for 19 small hydropower plants totaling 18.5 MW, three biogas projects totaling 2.1 MW, two photovoltaic projects totaling 1.35 MW and one wind park project with a 9.9 MW capacity. Serbia, which introduced its first feed-in tariffs in late 2009, has a 500 MW cap on wind, and a 10 MW cap on solar. So far, the biggest number of projects is realized in hydro. Renewable energy sources in Serbia have an estimated technically usable potential of about 5.6 megatons of oil equivalent per year, including biomass potential of approximately 3.4 megatons and 1.7 megatons of oil equivalent of hydro potential. „Serbia has seen only small renewable energy projects so far because banks have considered certain elements of the renewables regulation not bankable. We understand that the Serbian government is currently working to improve the regulatory framework as soon as this year so that we see business potential in wind of up to 500 MW," Kriegler said. Currently, biomass and biogas and small hydro, in particular, are most bankable due to the large untapped potential in Serbia, the report said.

June 30

Greece, Cyprus among top solar thermal markets in EU

Last year Greece had the biggest expansion of the capacities for solar thermal energy among the markets followed by Balkan Green Energy News, according to Solar Thermal and

Concentrated Solar Power Barometer published by EurObserv'ER. The country added 189.4 MW of thermal power to top an overall capacity of 3 GW, making it third in the EU, while Germany leads with 12.59 GW, after adding 644 MW in 2014, followed by Austria, which increased its facilities by 108.3 MW to 3.62 GW, the report said.

The edition on the use of energy of the sun's rays starts with an update on the development of solar thermodynamic technologies for electricity generation. Capacity of concentrated solar power (CSP) plants in the European Union at the end of 2014 was 2.31 GW. This segment remained stable in 2014 and will probably post a negligible increase this year, the authors of the study said. There were no CSP plants in operation in southeastern part of the EU, but Cyprus had one under development last year – the 50.8 MW dish sterling technology facility Helios Power in Larnaka. Greece had the 75 MW Maximus Dish plant of the same technology under development in Florina, while the 70 MW parabolic through project named Hyperion 1 was being developed in Crete. None of the facilities had a projected commercial date of operation.

The second part deals with the direct use of solar thermal energy. Market for producing heat, domestic hot water and heating from panels has not found the recipe for recovery mostly due to a drop in house sales, the report said. According to EurObserv'ER, new installations were 3.7% smaller than the 2013 level, in a sixth decrease in a row. Total installed area in the EU stood at about 47.1 million square metres (32.99 GW), 5.5% more than a year before, accounting for the three main technologies: flat plate, vacuum and unglazed collectors.

Cyprus is at position 13 in the bloc with 469 MW of thermal energy cumulated, after adding 13.6 MW of capacity last year, and Slovenia is four notches lower with 151 MW, while other EU members in the southeast of the continent are even further down. Still, Cyprus is the leading country by capacities in operation per capita, namely 0.782 square metres or 0.547 kW, followed by Austria and Greece, the latter's ratio being less than half of that. Slovenia was eighth with 0.104 square meters of panels or 0.073 kW of thermal energy per inhabitant. Greece was in the third position in EU also by added surfaces and net capacity (compared to the sixth place in 2013), almost all being flat plate collectors, but second-ranked was Italy, while the German market increased the most.

From September 26 the energy label will be fixed to all heating and hot water producing appliances, according to new EU regulation. It will enable consumers to decide by performance characteristics and compare efficiency and consumption differences.

July 2

EU pledges funds for Albania–Macedonia interconnection

Western Balkans 6 ministerial meeting took place at the seat of the Energy Community Secretariat in Vienna in the presence of Johannes Hahn, European commissioner for neighbourhood policy and enlargement negotiations. Ministry of Energy and Industry of Albania said the EU guarantees financial backing for the construction of the country's 400 kV interconnection line with Macedonia. The Bitola–Elbasan project will start next year, after the Albania–Kosovo power line is complete, Albeu.com portal cited the ministry's press release.

Energy officials expressed support for a short list of Projects of Energy Community Interest (PECI) that the European Commission will co-finance from its Instrument for Pre-Accession Assistance (IPA) multi–country programme, the Energy Community said. The officials agreed to establish a regional power market in time for the Western Balkans Summit in Paris in 2016, which will include access to power exchanges in all countries, a regional electricity balancing market and full participation in the South East Europe's Coordinated Auction Office (SEE CAO) for capacity allocation, the press release said.

The list of projects as well as the regional power market initiative will be endorsed by prime ministers at the Conference on the Western Balkans on August 27, according to information on Energy Community's portal.

July 6

Wind power deployment proportional to incentives

Turkey added 804 MW in wind turbine capacity last year, and ranked tenth in the global scale, European Commission's Joint Research Center published in its third annual report, signed by Roberto Lacal Arántegui and Javier Serrano González. Nine countries in the first tier increased wind energy installations by more than 1 GW, led by China with 23.2 GW, well ahead of second-ranked Germany (6.5 GW). The overall added capacity was a record 52.8 GW. The document presented key technology, market and economic aspects of wind energy on a global scale, with an accent on European Union.

Looking at changes year on year, Turkey belongs to stable-growing markets, with an increase of 158 MW or 24% in comparison to 2013. Meanwhile, European Union markets covered by Balkan Green Energy News didn't perform so well – Romania did add 354 MW, but that was 49% less year on year, while Greece installed 114 MW, almost the same as in the previous two years, and Bulgaria's report was disastrous: an increase of just 9 MW, compared to 7 MW in 2013 and 158 MW the year before. Croatia dropped from 122 MW to 86 MW of new capacity year on year. Cyprus didn't add a single turbine in 2013 and 2014, while Slovenia installed only 1 MW, after its first 2 MW in 2013.

Romania is fifth in the EU in the category of the share of installed wind power capacity – 11.52%, and Greece (6.05%) is in the tenth position, while Denmark leads with 39.16%, followed by Portugal (24.21%), Spain (19.79%) and Ireland (19.54%), according to transmission network Entso-E's latest data. According to information from Eurostat, those member states were in the same order weighed by wind power's share in the consumption at the end of 2014, the report said.

Turkey's share of European new capacity in 2014 was 6%. Its overall 3.8 GW in wind facilities is 3% of the cumulative 134 GW, which ranks it tenth in the continent, according to data obtained by the EC's Joint Research Center.

Grid connection delayed till 2016

Although mid-way to the target 1.44 GW, deployment of power generation from renewable sources in Bulgaria is stalling, authors said in the document's analyses and projections section. In May 2012, units with preliminary grid contract had their connection postponed until 2016. Connection procedure is seen as lacking transparency. Furthermore, since mid-March 2014, distribution companies have been limiting the maximum power generation of all wind and photovoltaic plants by 60%. The national target is not very high so a positive shift in support policy would make Bulgaria reach it, but the problem is that this shift seems unlikely, according to the analysis. The feed-in tariff is the base of the support scheme, with BGN 95.55 (EUR 49) per MWh for a period of 12 years. Share of wind power in overall consumption in the country is currently 4.21%, compared to 4.71% in Cyprus and 4.28% in Croatia.

Fluctuating referential feed-in tariff

Croatia's relatively small target for 2020 of 400 MW was nearly reached with 87% last year. The feed-in tariff system in Croatia was introduced in 2007 with a positive response by investors. The amount depends on reference price and the period of support is 14 years. After the 2012 amendment on the support scheme, a slowdown trend has been observed. Concern was expressed because there were no purchase agreements from January this year. Furthermore, the report noted, other barriers are in the cost of connection procedure and in spatial planning.

Support for new projects abolished

Cyprus was lagging behind with only 49% of the target 300 MW reached last year and only one installation permitted and under development. The government stopped wind energy support for new facilities, with the exception of a 30 MW ongoing project. Policies that would allow reaching the target have still to be defined, amid concerns that the country's low wind resources might make utilization too expensive, in a context

of a weak electrical grid, the report said. Other than that, complexity of administrative procedure was noted.

Greece to reach just half of target by 2020

Because of slow economic recovery and the ongoing reduction in wind energy costs, deployment in Greece is seen more positively than in previous years. The feed-in tariff lasts 20 years. For wind plants above 5 MW it is EUR 82 per MWh in the interconnected grid or EUR 105 per MWh if no capital grant had been received. In islands that are not interconnected the support is EUR 90 per MWh, or EUR 110 MWh for wind projects that didn't get a capital grant. Still, it is unlikely that the market will reach the target of 7.5 GW and projections suggest it will be short by 50% in 2020. The wind facilities reached 1.98 GW through 2014, according to the report.

A levy on the gross income of all operating renewable energy sources projects was imposed in 2012, the report notes. Main barriers for expansion are the lack of a reliable support scheme, weakness of grid development, and longevity of the procedure. The national action plan projects 300 MW of offshore installed capacity, but so far there is none.

Certificates scheme watered down

In 2013, Romania introduced retroactive regulatory changes that fundamentally changed the economics for existing installations. Mandatory acquisition quotas for tradable green certificates –defined by law till 2020 – were slashed drastically. Last year the reduction was from 15% to 11.1% and energy-intensive companies were exempted largely without redistribution of the obligations. The validity of certificates was reduced from 16 to 12 months. Furthermore, half of the green certificates for between 2013 and 2017 were delayed to the period between 2018 and 2020, so 1.5 certificates per MWh are issued through 2017 and 0.75 per MWh further on. Romania's changes in regulation with retroactive effect put investment trust in jeopardy and brought about impairment losses for developers, such as Verbund and ČEZ, the report said. The penalty for missing a certificate is EUR 119.3. Without policy changes, Romania will not reach its target of 4 GW, compared to just under 3 GW in operation at the end of last year (above 2.88 GW planned), the authors noted. Lack of market competition, slow grid development, and lack of transparency in grid connection were listed as other concerns.

Sluggish start towards an easy goal

Slovenia's situation is seen as similar to Slovakia's, as the former Yugoslav republic has a large gap between the 106 MW target and only 3 MW installed, but the total figure is seen as small and reachable under a favourable regulatory framework. The 15-year support scheme is based on a sliding feed-in tariff. Reference prices are EUR 95.38 per MWh for units under 10 MW and EUR 86.75 up to 125 MW. To calculate the premium, average electricity market price is deducted and the result is multiplied by a factor of 0.8 for under 10 MW and 0.86 up to 50 MW. Main barriers for wind power deployment, according to the document's authors, are in relation to the reliability of the regulatory framework, the duration of the administrative process, and in spatial and environmental planning.

July 22

Pilot initiative joins European Green Capital award

The call for applications for the 2016 European Green Leaf (EGL) and for the 2018 European Green Capital (EGC) Award, initiatives by the European Commission, will run until October 19. EGL is open to all towns and cities across Europe with 20,000 – 100,000 inhabitants, while EGC is for cities with a population of more than 100,000 people.

EGL is a new competition that recognizes commitment to better environmental outcomes, with a particular accent on efforts that generate green growth and new jobs. The objectives are to recognise cities that demonstrate a good

environmental record and commitment to generating green growth, to encourage cities to actively develop citizens' environmental awareness and involvement, and to identify cities able to act as a 'green ambassador' and to encourage other cities to progress towards a better sustainability outcomes. EGL will be presented on an annual basis by the European Commission in conjunction with the EGC Award as a stamp of approval to towns and cities, growing greener! Eight cities from seven countries across Europe applied for the pilot 2015 European Green Leaf competition.

To underpin the work of creating an ever-better environment for European citizens, the European Union adopted the 7th Environment Action Programme (EAP) entitled 'Living well, within the limits of our planet'. It provides the basis for EU environment policy up to 2020. This programme aims to enhance Europe's ecological resilience and transform the EU into an inclusive and sustainable green economy. The programme includes a specific policy objective, to enhance the sustainability of EU cities. It foresees that the EU will promote and expand existing initiatives that support innovation and best practices in cities, enabling better networking and exchanges between cities and encouraging the leading ones to show how they lead on sustainable urban development.

EGC, launched in 2008, is one such initiative. Following its success, many smaller cities seek EU recognition of their effort and commitment in the areas of sustainability and environment. In response, the European Commission has launched the new pilot EGL initiative. It will run as a pilot project for 2015 using one language (English) and if successful as expected, will be further developed in due course to include other languages.

EGC Award is the result of an initiative taken by 15 European cities (Tallinn, Helsinki, Riga, Vilnius, Berlin, Warsaw, Madrid, Ljubljana, Prague, Vienna, Kiel, Kotka, Dartford, Tartu & Glasgow) and the Association of Estonian cities on 15 May 2006 in Tallinn, Estonia. Their green vision was translated into a joint memorandum of understanding establishing an award to recognise cities that are leading the way with environmentally friendly urban living. The initiative was launched by the European Commission in 2008.

It is important to reward cities which are making efforts to improve the urban environment and move towards healthier and sustainable living areas. Progress is its own reward, but the satisfaction involved in winning a prestigious European award spurs cities to invest in further efforts and boosts awareness within the city as well as in other cities. The award enables cities to inspire each other and share examples of good practices in situ.

The winning cities to date are Stockholm (2010), Hamburg (2011), Vitoria-Gastiez (2012), Nantes (2013) and Copenhagen (2014). Bristol will hold the title in 2015, Ljubljana in 2016 and Essen in 2017.

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Istanbul, Turkey

September 17, 2015
CROENERGY 2015 – Sustainable Energy Finance and Investment Summit
Zagreb, Croatia

September 17-18, 2015
EII 2015 – Energy & Infrastructure Investment Conference
Zagreb, Croatia

October 14-15, 2015
All energy Turkey
Istanbul, Turkey

October 14-15, 2015
3rd Geothermal Congress
Ankara, Turkey

October 20-21, 2015
8th Balkan Energy Finance Forum
Belgrade, Serbia

October 23-25, 2015
Energy and Construction Trade Fair
Tirana, Albania

November 4-5, 2015
RENEXPO BIH
Sarajevo, Bosnia and Herzegovina

November 17-18, 2015
Balkan Energy and Infrastructure Supply Chain and Procurement Forum
Belgrade, Serbia

November 18-20, 2015
RENEXPO SOUTH-EAST EUROPE
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