

SEPTEMBER 2015

BALKAN GREEN ENERGY NEWS

Balkan
Green Energy
NEWS

The most comprehensive coverage of green energy news from the Balkans





Content

Interview	03
Features	07
Projects	10
Serbia	13
Kosovo*	/
Montenegro	19
Croatia	21
Slovenia	22
Bosnia and Herzegovina	23
Romania	26
Bulgaria	31
FYR Macedonia	33
Greece	35
Cyprus	37
Albania	38
Turkey	38
Region/EU	42
Events	43

INTERVIEW



Jean-Marc Jossart

Secretary General

European Biomass Association
(AEBIOM)

EU heating debate may bring cure for energy poverty

AEBIOM, the European Biomass Association, has decided to support initiatives for the development of bioenergy sector in the Danube region, the organization's general secretary Jean-Marc Jossart told Balkan Green Energy News. "Last year we noticed a growing interest in Brussels and at the European Union level" for the objective, he said in an interview. An example of the support is the BioRES project, where the idea is to help create trade platforms in Serbia, Bulgaria and Croatia, with intermediary steps between the biomass suppliers, forest owners and wood industry on the one side and final users, buyers on the other, Jossart added.

When AEBIOM was founded in 1990, it had five national associations as members, and now they are 29, alongside almost 100 companies. A strategy for the heating sector is expected at the European level, so the association is representing interests of its sector, while preparing and developing projects for education, the supply chain, mapping and technology, to name a few.

Asked about the inner drive throughout his career, AEBIOM's official explained the basic reasons for his interest in bioenergy were still the same, even though some are more important and they all change over the years. "The sector changed a lot in the last 20 or 25 years. We develop biomass because of climate change, but also for another central reason, the future of EU. Let's think about EU energy independence, in the context of a Russian and Ukrainian gas crisis," Jossart stated. Lately, one of the crucial drivers, in his words, is economic development and job creation, because of the recession, and policy makers understand that.

"Personally speaking, I prefer working in this kind of business, compared to the polluting fuels and the chase for profit. Part of our work focuses on small, decentralized value chains and actors like cities and forest owners, instead of importing coal from Australia or oil from the Middle East," he underscored. Completely different in terms of the vision for the future, Jossart stressed.

You have been stressing how important it is to have a qualified workforce, including people in research and development. In many markets that we follow the biomass-fuelled facilities have only just started to develop. What are the most important points for education and training?

The development of bioenergy is uneven in Europe. Some countries are frontrunners, while others can do much more. Especially in the Balkan region, as there is great potential for biomass. In terms of the qualification of the workforce, it is important to have professionals already when the market starts to develop. Especially installers, because if there are failures in installations, we know that bad news are spreading faster than the good news. On the long run that could lead people to think that biomass is not reliable source of energy. That's why it's important to have qualified installers, architects, project developers, and consultants.

Regarding research, bioenergy is traditional and reliable and technologically advanced already. But there is need for work towards integration of biomass and other renewables into the energy system as a whole. Biomass is a resource that can improve fuel quality and bring new types of fuel, whether liquid or gaseous, making energy system more reliable. It is easier to use biomass in the existing infrastructure if we have good biomass quality.

And are there specific study programmes for engineers in bioenergy, and does AEBIOM help in that direction?

We are cooperating with Eurec, the Association of European Renewable Energy Research Centres, which organizes master studies in renewables in several universities through Europe. They are training dozens of students every year. There are also more and more basic studies including renewables: for economists, civil engineers, and architects, for instance. We cooperate with Eurec in a platform called KnowRES for identifying gaps between skills and competences that people have at the end of their studies and what the market needs.

“ Balkan countries must make their voice heard in Europe. Be as loud as possible in order to achieve something in Brussels. ”

Potential consumers are usually concerned about biomass supply. What role do governments have in the mobilization of forest resources, especially in an underdeveloped market?

The government should provide political support and vision, to let the industry know biomass will be part of the energy picture. This political support is essential. The market should be organized with proper legislation enabling utilization of biomass. In some countries the use of biomass remains limited, for example where forest residues must stay in the forest, and it doesn't always make sense. Then networking can start by putting different sectors together. The wood-based industry already has access to the resource, the machines and know-how. They can make the links with consumers. Little by little there is a whole supply chain, first agreements and projects.

Which part of bioenergy industry has the best perspective for investors, provided that regulations enable fair conditions for the business?

Every country has some own challenges. For instance, some in Eastern Europe are dependent on Russian gas, and they need a clear strategy to switch from fossil fuels to renewables, and in all market segments: for the house, the buildings, at the company and municipal level, to develop district heating. Some of these markets are more profitable than others due to fuel prices and other factors.

“ Medium-term vision and strategy should be to tax polluting fuels. The carbon tax and taxation system in general are the best tools. ”

In Baltic countries district heating is booming. They pay a very high, political price for gas, and that makes bioenergy extremely competitive. There are dozens of new facilities. In Italy there is huge growth in the segment of individual pellet stoves for households, 200,000 are sold every year due to high price of oil because of tax.

What is the general course in the advances of technology for the supply of biofuels and energy production? Which energy crops are the most popular?

We have about 100,000 hectares in Europe and this category is stable. But other sorts of biomass are growing, like residues from the wood-based industry and wood biomass coming directly from the forest. That kind of fuel is more interesting than agricultural biomass.

In this context efforts are made to develop technology in terms of efficiency of machines for harvesting, chipping and transporting. As it is the case, for instance, in projects such as LogistEC, an EU platform for improving technologies of the biomass logistics chains.

Has your organization pushed for any new regulation or amendments that turned out to be a great success for biomass business in a particular country?

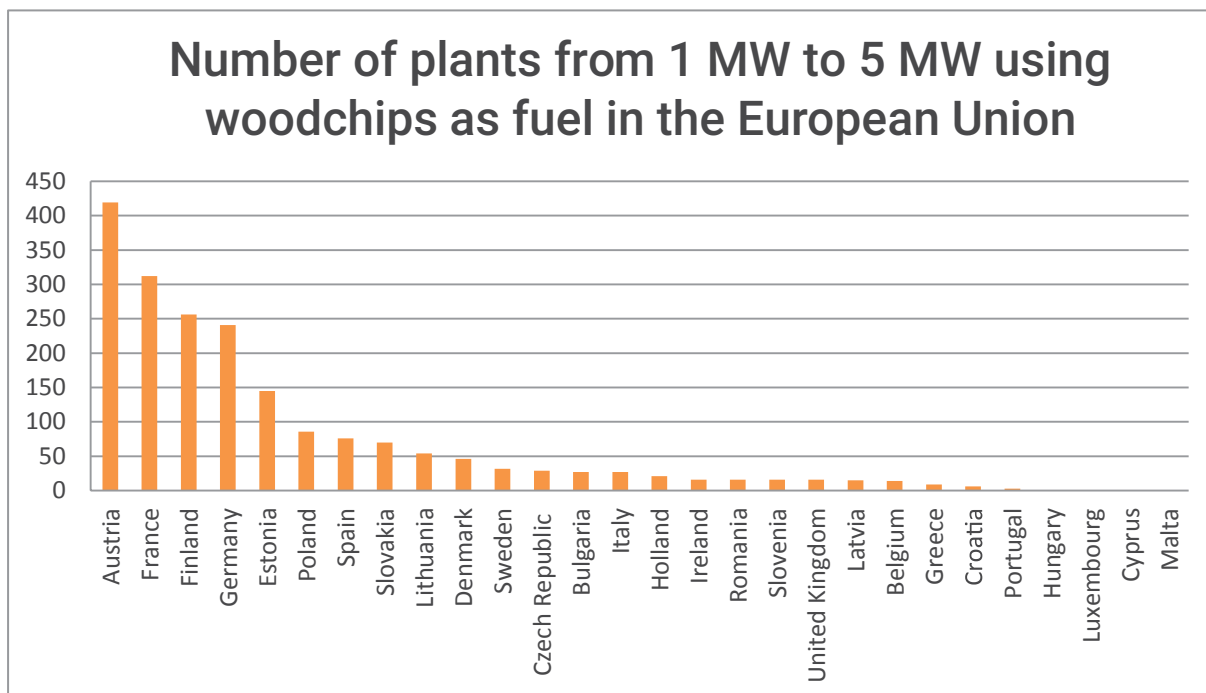
Lately there has been a lot of new legislation for biomass and bioenergy in general. To give an example of a recent success, in the framework of the implementation of eco-labels for thermal installations, we try to demonstrate to EU policy makers that biomass stoves and boilers should be ranked among the best for their efficiency and environmental benefits. The heat strategy is also very important, as heating is a bigger sector than power or transport. This is the most affordable renewable energy source, and at the same time it is the answer to the challenge of energy poverty, especially for heating homes. This segment has the highest expenses. A strategy at the European level is expected in November and AEBIOM is definitely playing a crucial role in help for this market.

“ In some countries the use of biomass remains limited, for example where forest residues must stay in the forest, and it doesn't always make sense. ”

Our members all work also at the national level. And Balkan countries must make their voice heard in Europe. Be as loud as possible in order to achieve something in Brussels. I invite people in Southeastern Europe to become members of AEBIOM to share views and get information from the market.

Which European countries have the most significant share of small-scale biofuel installations?

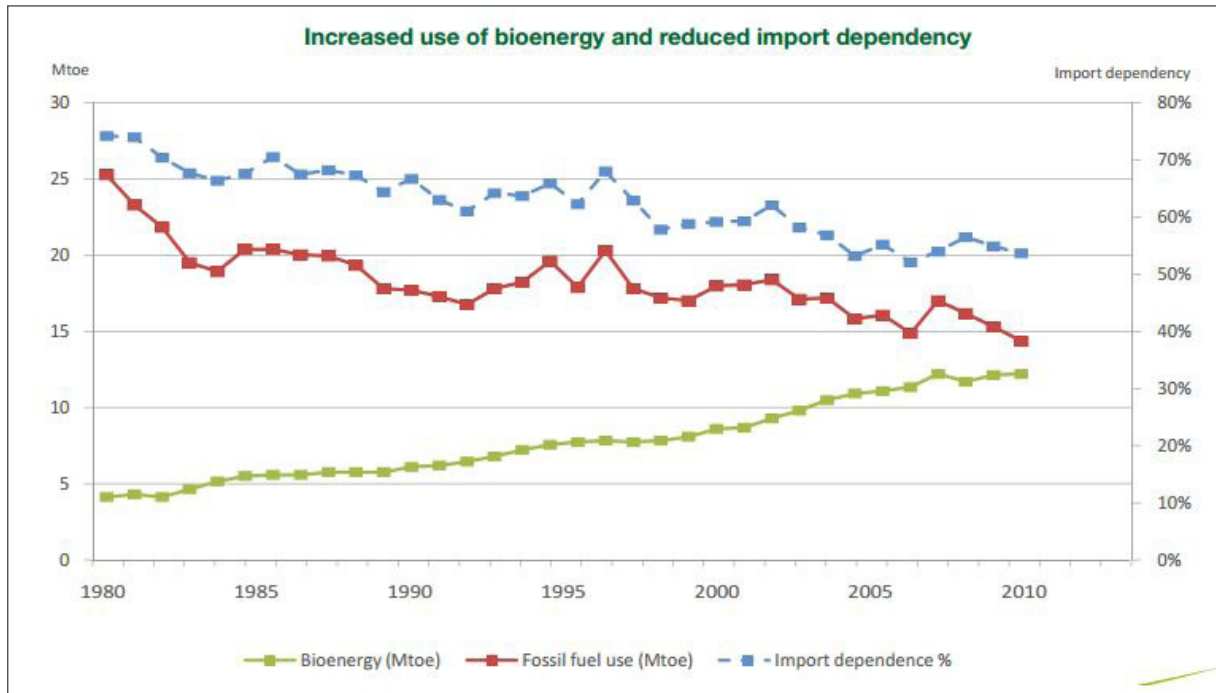
In the pellet sector, as I said, Italy is the biggest market. Sweden, Germany, Denmark, France, Austria, they have all developed at the small scale significantly. There are 500,000 pellet stoves sold per year in Europe, plus 100,000 boilers. And the commodity market grows by a million tons a year of pellet in the European Union. Within the Basis project we mapped small-scale installations that use woodchips at the European level. There's a map with locations of biomass facilities. It helps suppliers to find clients or it helps new biomass units to see where potential competitors are.



What specific incentives are the most beneficial for the segment and how does it affect the dynamics in the sector?

We have seen the development of support to investments here and there in the EU in the last years. In our experience this works for a limited period of time. Moreover we noticed the multiplication of stop-and-go effect on the market with sometime critical impact on market players.

I believe the medium-term vision and strategy should be to tax polluting fuels. The carbon tax and taxation system in general are the best tools. In Sweden this makes biomass cheaper than fossil fuels and consumers adapt quickly. Higher taxes also bring money to the state budget.



How does ENplus certification help companies? Do you promote any other standards or participate in their development?

That system in fact gives guaranties for the pellet's quality, an extremely important aspect for the market stability and the trust of the clients. If they buy oil or gas, they won't question its quality, because they are standardized. This should be the case for biomass and pellet. Companies have understood that they should provide uniform standard quality and that's why there are now 250 production companies that have chosen to comply with the scheme.

ENplus is a very demanding certification scheme for producers that guarantees pellet quality all along the supply chain. The technical requirements are based on the ISO 17225-2 standard and are even stricter for some parameters. ENplus certification showed extraordinary growth with 1 million tonnes certified in 2011 and more than 7 million today.

FEATURES

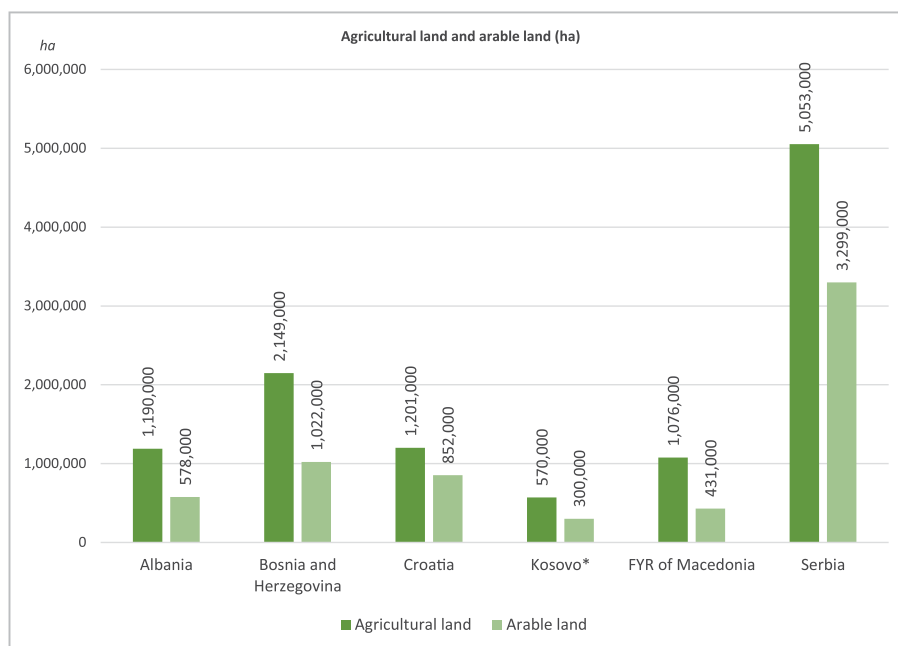


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Serbian National Biomass Association Serbio

Agricultural Biomass in the Western Balkans

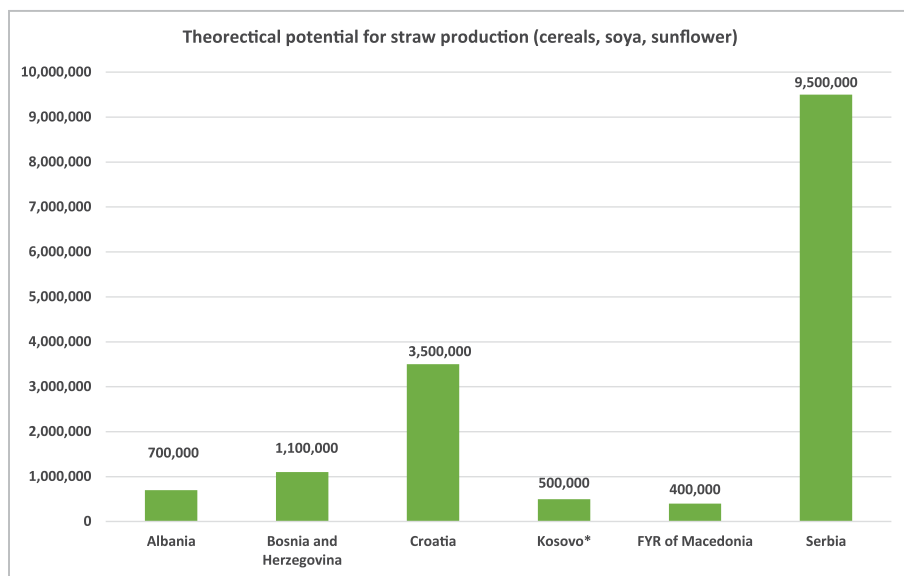
Most of the Western Balkans are situated in mountain areas, however there are significant portions of agricultural and arable agricultural land utilized for growing crops such as wheat, corn, soya, sunflower and others. Arable agricultural land used for grain production is situated in southern parts of the Pannonian Plain (Vojvodina in Serbia, Slavonia in Croatia, Semberija in Bosnia and Herzegovina) and in river valleys (Morava in Serbia, Neretva in Bosnia and Herzegovina and Croatia, Vardar in Macedonia). Although traditional farming practice was based on small-scale holdings, the privatization processes in all of Western Balkans brought a trend of enlargement of agricultural holdings and development of large scale agribusiness operations. However, utilization of agricultural biomass does not follow the developing trend in agricultural production.



Contrary to wood biomass, utilization of agricultural biomass is still undeveloped, since except for the few examples of energy production for industrial purposes and traditional utilization in farming and agro-pellet production, most of agricultural biomass remains on fields. Agro-biomass is usually plowed into the soil or even burned on the spot against existing regulations. If it is mobilized it is used as animal bedding or food.

“ Agro-biomass is usually plowed into the soil or even burned on the spot against existing regulations. If it is mobilized it is used as animal bedding or food. ”

In some countries in the region, such as Serbia agro-biomass is potentially more abundant than woody biomass, while the agricultural land's structure enables its efficient mobilization and utilization. Such structure encompasses large land plots, developed road network and flat terrain.



However, agro-biomass remains underutilized even in Western Europe, compared to the woody category, due to the issues which follow its utilization. Agro-biomass has lower energy value compared to wood, higher ash content and lower ash melting point. This means combustion technologies are still more expensive than those used for woody biomass. Finally, mobilization of the former has more of a seasonal character than of the latter. Agro-biomass is collected in very short period after the harvest, thus it needs to be stored throughout all the year, requiring more space.

“ Combustion technologies for agro-biomass are still more expensive than those used for woody biomass. ”

There are other aspects that have a strong impact on agro-biomass utilization, like preservation of soil fertility. In order to maintain it only a part of harvesting residues can be mobilized and utilized as biomass. On the other hand, leaving all residues on the field increases the risk of plant diseases development. And plowing of residues increases the costs of agricultural basic production. The portion of residues that can be removed after the harvest usually varies from 25% to 50%. A positive effect on soil fertility when residues are removed can be achieved by ash disposal on the land after combustion. Second important factor affecting agro-biomass utilization is competition with food production, meaning that part of harvesting residues should be utilized as animal food, reducing available quantities for combustion.

Grain/Property	Grain-straw proportion	Medium grain yield (t/ha)	Medium straw yield (t/ha)	Energy value (MJ/kg)	Ash content (%)	Ash melting point (C°)
Wheat	1:1	6.5	6.50	13.5	7	900
Corn	1:1.2	6.8	8.16	13.5	5	800
Sunflower	1:2	2.5	5.00	15.5	5	1,000
Soya	1:2	3.5	7.00	15.5	6	1,200

Table 1: Properties of agriculture biomass

On the other hand, contracting agro-biomass has different features than contracting woody biomass. First, crop yield is not constant, although it can be improved to a certain level by irrigation and utilization of appropriate land management measures, encompassing land quality monitoring, crop rotation and fertilization. Second, crops composition varies depending on the market conditions, thus farming area and production of certain crops is changing. We are witnessing an increase of corn, soya, rape seed and sugar beet farming over wheat due to the market situation. Contrary to forests, most of the agricultural land is privately owned or managed, thus it seems that long-term contracting of agro-biomass between consumers (district heating, steam, combined heat and power plants) and biomass providers can be easier between two private partners. However it is still not the case.

““ The portion of residues that can be removed after the harvest usually varies from 25% to 50%. ””

The agro-biomass market, not only in the Western Balkans but also in most of Europe (except Denmark) is in its initial phase, far less developed than woody biomass market. It is also important to stress that agro-biomass products are far from the level of standardization of woody biomass products. In the region of the Western Balkans agro-biomass is starting to be utilized predominantly by agro-industrial users and small agricultural holdings. Also, agro-pellet production is growing, even though the market is not developed, and installed capacities are much higher than production output. Until recently producers had issues in exporting it because the customs tariff number of agro-pellet for energy and for animal food was the same. Even though this issue was resolved, lack of demand for agro-pellet and strong competition from other Eastern European countries (Ukraine, Poland) influenced price reductions to the point that economic viability of production is questioned.

Governments in the Western Balkans do not encourage the utilization of agricultural biomass sufficiently. Due to financial difficulties, direct subsidies for agro-biomass utilization are hardly expected, however one way of indirect support would be restrictions and stronger control of CO2 emissions. Still, there are plenty of paradox cases of the use of coal, oil or natural gas for energy production in district heating companies and agro-industries situated in areas with very developed agricultural production or those managing large portions of land, while harvesting residues are left on the fields.

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PROJECTS



USAID
FROM THE AMERICAN PEOPLE



WINROCK
INTERNATIONAL

USAID Macedonia Clean Energy Investment Project

Who we are

The USAID Clean Energy Investment Project builds upon and expands the ongoing USAID assistance that has laid the groundwork for developing renewable energy and energy efficiency technologies and industries in Macedonia. The three-year project, initiated in April 2013, will support the Government of Macedonia's efforts in implementing relevant strategies with the goal to increase investment in energy generation from renewable sources, and reduce Macedonia's total final energy consumption and greenhouse gas emissions.

What we do

The USAID Clean Energy Investment Project provides technical assistance and implements a range of activities in the following primary components:

- (1) Streamline renewable energy project development and investment processes – activities will be undertaken aimed at improving renewable energy enabling environments.
- (2) Establish low-emissions-development planning processes – activities will focus on assisting the Government of Macedonia in improving the legal framework in planning, launching and implementing the low-emissions-development process to advance economic growth, improve environmental management and meet development objectives.

The Project coordinates its activities with other USAID projects and with bilateral and multilateral donors to prevent duplication of efforts, and enable identification of synergistic activities.

Who we work with

The USAID Clean Energy Investment Project works closely with a number of Government of Macedonia ministries and agencies and other stakeholders in achieving the mutual goals. In particular:

- Cabinet of the Deputy Prime Minister for Economic Affairs
- Ministry of Economy
- Ministry of Environment and Physical Planning
- Ministry of Agriculture, Forestry and Water Economy

- Energy Agency
- Energy Regulatory Commission
- Macedonian Academy of Science and Arts
- Association of Renewable Energy Producers



USAID MD visits photovoltaic field of SIETO



Mapping LEADS workshop

Illustrative project accomplishments

Streamlining the Renewable Energy (RE) investment processes – The process of analyzing the present comprehensive legal RE framework was completed, followed by the development of a roadmap with recommendations, proposals and amendments for modifications.

Reducing the length of RE investment process – Implementation of project recommendations have resulted in amendments to three different laws and by-laws, that made it possible to reduce the RE investment process by as much as 12 months.

RE Stakeholders' Forums – Introduced a new mechanism for public-private dialogue in the RE sector. The Forums, organized quarterly, bring together RE investors, GoM and NGOs to discuss the most relevant RE investment issues and propose solutions.

Second National Energy Efficiency Action Plan (NEEAP) – Provided technical assistance to the MoE in preparing the second NEEAP, as part of an inclusive process and in line with Energy Community Secretariat requirements.

Energy Auditors Training Curriculum – Provided technical assistance in developing a training curriculum for energy auditors, used in the official certification trainings, leading to certification of the first group of energy auditors.

By-laws regulating the process of training, examination and certification of energy auditors – Provided technical assistance to the MoE in drafting new and/or amending 9 by-laws.

Mapping LEADS elements in the national strategic planning – Completed an assessment on inclusion and implementation of a LEADS approach in the GoM strategic planning and recommendations for integration of LEADS into the national sustainable development planning.

Introduction of Remote Sensing and Geographic Information System techniques for monitoring forestry changes – Presented new platforms, techniques and software for image procession, interpretation and technical requirements for implementation of Remote Sensing into forest-change monitoring.

Study on quantification of land-cover changes in Macedonia – The initial quantification of historical land-cover change and associated GHG emissions and removals using global spatial data for 2000-2012.

New Methodology for calculation of the GHG emissions reductions/savings as a result of use of renewables – Drafted and developed a new tool for the use of MoE, required in the frames of the biennial reporting to the Energy Community Secretariat.

Biennial progress report on promotion and use of energy from renewable sources – Provided technical assistance to develop the report that relates to policy and legal actions and measures introduced to promote the use of RE in accordance with the EU Directive 2009/28/EC.

New Energy Balance methodology – Developed a new energy balance methodology harmonized with EUROSTAT, including uniformed questionnaires for collection of energy data. The new methodology was developed by the working group consisting of the MoE, State Statistical office, and Energy Agency representatives.

Amendments to the Energy Law – Provided assistance to draft amendments to incorporate the new energy balance methodology.

Analysis, recommendations and action plan for education for improved/proper combustion and heating in homes – Developed with project assistance including recommendations for improved energy efficiency and reduction of GHG.



Photovoltaic field near Skopje



First RE Forum

Winrock International is a nonprofit organization that works with people in the United States and around the world to empower the disadvantaged, increase economic opportunity, and sustain natural resources.

More information about the USAID Clean Energy Investment Project, can be found by contacting project office at:

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SERBIA

NIS announced new venture for gas-fuelled CHP

July 24



A member of the Gazprom Energoholding group entered into an agreement with NIS, Serbia's flagship oil company, with a view to set up a venture under the name of Serbskaya Generaciya with the aim to build a combined heating and power plant (CHP) in the town of Pančevo, said Kirill Kravchenko, chief executive of NIS, in his interview to Politika daily.

Construction may start as early as mid-2016, with commissioning set for 2019, NIS quoted the company's chief on the company's website. Both the heating and the power would be consumed by NIS's refinery in the town and its partners. The surplus of power will be offered to the market, Kravchenko said. Investment of EUR 140 million has been secured for the initial stage. Gazprom Energoholding will cover the biggest part, he added.

“Both the heating and the power would be consumed by NIS's refinery in the town and its partners.”

The thermal plant capacity will amount to 140 MW, with a possibility to increase it to 208 MW, where the value would reach EUR 183 million. NIS built 13 small-scale power plants in the oil and gas fields in Serbia, works have been under way at 12 geothermal wells, and another seven bigger and smaller energy projects are under consideration currently, NIS's CEO said. He stressed that the prerequisite to continue such activities is the power purchase contract at the state level for power generated from renewables.

More progress with paperwork for Brodarevo HPPs

July 27



Reservoir Capital Corp. reported positive development in construction permitting for its Brodarevo hydroelectric projects. The company said it has been engaged **in the updating of documentation in recent months** to comply with changes to Serbia's planning and construction laws introduced earlier in the year. In recent weeks, Reservoir secured positive opinions regarding the issue of building permits from a number of key state-controlled institutions.

There was a positive opinion on the project for the construction of the first phase for hydropower plant Brodarevo 2, by the State Audit Committee, and a positive technical review by the Faculty of Civil Engineering in Belgrade, which holds the state license. There was a decision by the Institute for Nature Conservation of Serbia to allow the construction of two road tunnels and the relocation of the main M21 highway.

Reservoir is a renewable energy company engaged in the development of a 59.1 MW hydroelectric project at Brodarevo on the River Lim, and the Vranjska Banja geothermal project, both in southern Serbia, the press release said.

The company said **it secured several positive opinions** from relevant authorities for the projects on Lim river in May.

Grants paid for energy efficiency in public buildings

July 28

Nenad Stanković, energy and mining secretary of Serbia's Autonomous Province of Vojvodina, signed contracts with users of secretariat's incentives from grants **programmes for co-financing efficient indoor lighting and energy efficiency measures** in public institutions.

The funds for indoor lighting are intended for entities in the fields of education, science, culture, physical culture, pupils' and students' dormitories and restaurants, healthcare, social services, child care, social security, animal healthcare and public information in minority languages. Users can finance replacement of existing lighting with equipment that saves energy or for replacement, purchase or mounting of supervision and lighting control systems. There were 15 grants for users in 13 municipal units, and the overall sum was RSD 41 million (EUR 341,000). The biggest individual grant was EUR 714,000.

“Only 19 out of 75 applications were valid for the energy efficiency grants, and EUR 818,500 was allocated.”

Co-financing budget for energy efficiency was RSD 115 million (EUR 957,000), the secretariat's biggest programme this year. Only 19 out of 75 applications were valid, and EUR 818,500 was allocated. Maximum possible grant had been EUR 208,000 but the biggest individual contract, the one with the Faculty of Technical Sciences in Novi Sad, the provincial capital, is worth EUR 153,000.

European energy performance contracting cooperation

July 29



Project EnPC-Intrans, aiming to increase the capacity for performance contracting on the municipal level,

successfully started in nine European countries, the Standing Conference of Towns and Municipalities (SKGO) of Serbia said.

Energy performance contracting (EPC) is an essential instrument for the improvement of energy efficiency in municipal buildings and services, according to the press release, when local budgets are too scarce. An objective of EnPC-Intrans, which has been operational since March, is to achieve a more widespread application in the eastern part of the European markets in transition.

EnPC-Intrans is also called '**Capacity Building on Energy Performance Contracting in European Markets in Transition**'. The aim is to increase the market acceptance of performance contracting and to enhance capacity on the supply side, as well as to support the creation of demand. The European Union supports the project with almost EUR 2 million for two years, during which energy savings of about 60 GWh per year should be achieved. The partners are currently evaluating best practice examples and existing business models.

Consortium that implements EnPC-Intrans is represented by European competence centers for energy performance contracting and e-learning but also includes various networks in charge for promotion of the EPC concept among the local self-governments. It consists of German Organization for International Cooperation (GIZ) and Climate Protection and Energy Agency of Baden-Württemberg GmbH (KEA) from Germany; Energy Institute 'Hrvoje Požar' from Croatia; Centre for Renewable Energy Sources and Saving from Greece; Energy Agency of Savinjska, Saleska and Koroška Region (Kssena) from Slovenia; E-code from Slovakia; Zemgale Regional Energy Agency from Latvia; SKGO from Serbia; Energy Efficiency and Renewable Energy Agency Ae3R Ploiești – Prahova from Romania; and Finance & Technology from Ukraine.

At least 50 highly qualified trainers and 3.000 well trained specialists will benefit directly from the project while ensuring the successful initiation and implementation in the partner countries and beyond in EU countries, SKGO said. The business models for EPC will be discussed on a national level with the actors on the supply and the demand side. Based on their experiences, the partners will develop training concepts and tools, and selected multipliers from the different groups will be trained. Furthermore a roadshow is planned for the partner countries as well as an intensive public relations and networking effort on European level. EnPC-Intrans receives funding from Horizon 2020, European Union's research and innovation programme.

Solar plant in Stara Pazova municipality underway

July 30

Stara Pazova municipality publicly presented the project of a photovoltaic facility for a to be built in the village of Surduk, located close to the Danube. **Investors are private persons** and the documentation was prepared by a local company Projekt biro Marinko DOO. The plan for the 950 kW solar power plant is to sell electricity to regional electricity distributor Elektrodistribucija Ruma, according to the urbanistic project documents. Panels are to be installed on the ground.

GGF partners ProCredit Bank Serbia in green lending

August 4



www.ggf-see.lu

Green for Growth Fund, Southeast Europe (GGF) said it entered into a partnership with ProCredit Bank Serbia to support green lending in that country.

ProCredit Bank is market leader there in terms of energy efficiency lending with a strong focus on agricultural and small and medium enterprise (SME) lending, the press release added. **The EUR 20 million senior loan** provided by the fund will serve to further expand this business line while keeping a strong emphasis on replacing energy inefficient machinery, such as agricultural equipment and processing machinery. In addition, the loan will serve to finance renewable energy projects, the two partner institutions said.

"With its strong position in green lending to the agricultural and SME sectors, ProCredit Bank is a great addition to our network of partner lending institutions," said Christopher Knowles, the fund's chairman. "ProCredit Bank is also the fund's first partner in Serbia for financing renewable energy projects, an essential component in the greening of the Serbian economy."

At ProCredit Bank, responsibility means providing high quality services and, above all, a thorough credit analysis, said Igor Anić, a member of ProCredit Bank's

Executive Board. "But responsibility does not stop there. We believe that responsibility extends to our mutual surroundings, which should be preserved for the generations to come. The active promotion of environmental protection and energy efficiency standards plays a crucial role, along with favourable credit support, in enabling clients to achieve those standards and make their own contribution to the environment."

GGF provides refinancing to financial institutions for on-lending to enterprises and private households seeking to finance energy efficiency projects. It also invests directly in small to medium-scale renewable energy projects. GGF was initiated as a public-private partnership in December 2009 by the KfW Development Bank of Germany and the European Investment Bank (EIB) with the financial support of the European Commission, the German Federal Ministry for Economic Cooperation and Development (BMZ), and the European Bank for Reconstruction and Development (EBRD). The fund said its investors are donor agencies, international financial institutions and institutional private investors, such as the International Finance Corporation (IFC), the Netherlands Development Finance Company (FMO) and the Development Bank of Austria (OeEB). GGF, registered in Luxembourg as a Sicav (variable capital investment company), is privately managed by Oppenheim Asset Management Services S. à r. l., Luxembourg.

Lighting overhaul in university dorms of Vojvodina

August 5

All eight university dormitories in Novi Sad, capital of Serbian northern province Vojvodina, are getting LED lighting installed, **together with an energy savings control system** in two buildings, according to the information provided on Studentski centar Novi Sad website. The value of the whole project including value-added tax is RSD 94.8 million (EUR 789,700).

The contractors are Interfast DOO and WD Concord West DOO, both from capital Belgrade. The contract states the deadline is 45 workdays.

EPS plans solar and wind projects at coal-fired plant complex

August 5

State-controlled Electric Power Industry of Serbia (EPS) called for offers in procurement of a preliminary feasibility study with a general project for the

construction of a solar power plant in the slag and ash pond of thermal power plant Kostolac A, located 100 kilometers east of Belgrade. It also placed a **public invitation for an analysis of wind potential** in the wider area of the outer disposal site for coal overburden at nearby Drmno open cut mine.

The aim of the first document is defining the conditions for a concept design for a solar plant of maximum possible capacity as well as a dynamic plan for producing technical documentation and building the facility in phases at the pond of 270 hectares. Expected cost for equipment, installing and functional tests is also needed, as well as securing preconditions for the location permit in the location, called Srednje kostolačko ostrvo, planned for closing. The deadline for offers is September 4, EPS said. The location is also suitable for the utilization of geothermal energy, while solar power potential is estimated at up to 50 MW.

“*The location is also suitable for the utilization of geothermal energy, while solar power potential is estimated at up to 50 MW.*”

In the years preceding the release of the call for offers for the latter document's procurement, measuring equipment had been set at Drmno site and its surroundings. It is estimated that a wind power plant of up to 60 MW would be suitable for the location. Proposed spots for turbines may be in private land in the vicinity, and in that case a cost analysis would be needed for purchasing the land for EPS, project documentation said. The deadline for offers for the analysis is September 3, the public invitation said.

National flagship HPP Đerdap 1 enters overhaul

August 7



After a delay due to Russian company Silovye Mashiny being late with equipment, new phase of revitalization

in the 1,026 MW power facility Đerdap 1 has started in early August. Located on the Danube on Serbia's border with Romania, it is the biggest hydropower plant (HPP) in the portfolio of EPS (Electric Power Industry of Serbia).

According to a report by daily paper Danas, the A-1 unit has been taken **off the grid after 45 years of operation** and works will last more than 13 months. So far **three out of six units have been revitalized** and the plan is to raise the HPP's installed capacity by 10% and extend its work by 30 to 40 years, as well as to train staff during the process.

Unfavourable hydrological situation caused the power generation plan for July to be met with only 74% and the result was 305 GWh. In the first six months of this year, Đerdap 1 generated over 3.5 TWh, equivalent to 92% of the plan. The projection for August is 340 GWh, Danas reported.

Biogas-fired power plant will boost local economy

August 8



By April next year, the industrial zone in the northern Serbian town of Bač should have an operational electricity-generating facility running on agricultural biogas, Radio Bačka reported on its website. The power plant is being constructed by local company Slovan-progres DOO from Selenča, and its workers were erecting trench silos. **Investors are enterprises from Slovakia**, registered in the municipality of Sremska Kamenica as Agro-Energy DOO and Enesco Group DOO.

Dragan Stašević, head of local authority in Bač, told journalists the EUR 8 million worth power plant is already making contracts for biomass supply. He added this is the **biggest local investment in ten years**, Agrovizija.rs portal reported. Parts of financing came from European Union's funds and bank loans. The facility will have three units of 650 kW each, fired by up to 40,000 tons of waste from sorghum, maize,

sugar beet and manure from surrounding farms, said Bojan Milić, investors' representative.

The first phase of the construction should be completed in September. Stašević and Juraj Bocka from Slovan said 15 to 20 people will be employed and the electricity will be supplied to the grid. Hot water and fertilizer from production will be used locally.

NIS launches mini power plant in Sirakovo

August 12



A small-scale power plant generating electricity and thermal energy was launched at the gas and oil field Sirakovo in the environs of the town of Veliko Gradište, the facility's operator NIS said on its website.

It is a EUR 2 million worth investment into the 2MW total power of this plant. A total of 3 MW of electricity is currently generated at this oil and gas field after a 1 MW power plant was put on stream in this area for the first time by NIS two years ago. The project has been completed within the programme of small-scale cogeneration capacities development, which is part of a company's long-term strategy aimed at upgrading operational efficiency based on tapping into the existing gas resources. At this junction, NIS operates its own 13 mini power plants, i. e. cogeneration modules all over Serbia, with more than EUR 15 million worth of investment into this realm of business, the report added.

“*The project has been completed within the programme of small-scale cogeneration capacities development, which is part of a company's long-term strategy aimed at upgrading operational efficiency based on tapping into the existing gas resources.*”

Electrical power generation has reached 11.6 MW, which is sufficient to supply electricity to an average of 10.000 households, NIS said. “Mini power plants are tremendously important as they generate electricity and thermal energy out of gas, which up to now had not been put in use due to the high content of carbon dioxide and nitrogen. There is also an environmental point related to the process of transformation of this gas into electricity, as it ceased to be combusted by flare, which reduced noxious gases emission into the atmosphere. This is how our company facilitates the Republic of Serbia in its quest to prudently use energy, while reducing pollution,” said Igor Korać, deputy director of NIS's power generation department, the article said.

Environmental impact assessment studies for two SHPPs

August 13



Ministry of Agriculture and Environmental Protection said an environmental impact assessment study is necessary for the project of **future small hydropower plant (SHPP) Devići 1**. The facility is planned to be constructed in nature park Golija in Serbia's west. Two units will have an overall capacity of 1.25 MW and the developer is Hydro Energy Braduljica DOO, registered in the town of Ivanjica.

The ministry also concluded the process of public consultation and presentation of the environmental impact assessment study for the reconstruction of SHPP Pod gradom on Đetinja river in Užice municipality, also in the west part of the country. The document had been filed for approval by the Electric Power Industry of Serbia (EPS), the plant's operator. **The 300 kW power facility was launched in 1900** as the first in Serbia to apply Nikola Tesla's alternating current technology. It has two Francis turbines of 50 horse powers each with three-phase generators of 32.8 kVA, and later a 90 kW unit was installed. The study was done by Energoprojekt-Hidroinženjering AD.

Slot of 50.5 kW of panels remains open due to mix-up

August 13

Renewables and energy efficiency department of the Ministry of Mining and Energy stopped the selection process for a share in the quota for **temporarily preferential suppliers of power from small solar facilities**. The statement on the ministry's website adds that the slot of 50.5 kW had been open since mid-March for photovoltaic plants of up to 30 kW installed on roofs. This is when two legal entities lost the temporary status of a preferential supplier.

The document says that it was not possible to allocate the available share in the capacity to applicants from the March round, as many are registered to have filed for the slot at the same time, since there were several desks open in the office. The rule is that the status is given according to the timeline of applications, so the ministry announced another round for September 9, on one desk only.

The department said all applications filed before that day would be rejected.

Grants for sustainability and renewables at farms

August 25



Provincial Secretariat for Energy and Mineral Resources of Vojvodina closed three calls for applications for grants to co-finance projects of farms in the region. Programmes cover **energy sustainability**, particularly for **dairy cow farming** and **goat and sheep farms**, with utilization of solar thermal power for warm water and heat recuperation systems, the institution's website said. Applications were received from August 5.

In the section for energy-sustainable farms, overall sum of incentives is RSD 35 million (EUR 291,000)

and funds are intended for activities including heating, cooling and ventilation in animal farms, utilization of renewables, especially off-grid solar panel systems, and reconstruction of heating systems that run on fossil fuel.

Grants for dairy and cattle farming will co-fund thermal solar energy systems for warm water, and recuperation equipment for milk cooling. For cow farms there is a budget of EUR 166,300 and for goats and sheep the programme is worth EUR 83,200.

Energy Efficiency Network in Western Balkans launched

August 27



Energy Innovation Center Teslium said it started a project entitled Energy Efficiency Network in Western Balkans with LEEN GmbH as a strategic partner, and with the support of the State Government of Baden-Württemberg of Germany and its Ministry for International Cooperation. Project's main goal is to identify and establish Learning Energy Efficiency Networks (LEEN). Financed by the European funds through the Danube strategy, the project is to be implemented in Serbia, Kosovo, Montenegro and Albania.

The project provides foundation for initiating three types of networks. LEEN for industrial companies, those with annual energy costs over EUR 350,000, has a four-year approach. The network for small and medium enterprises, with annual costs below EUR 350,000, has a one-year approach, and one for municipalities with 20,000–200,000 inhabitants is set for 3.5 years.

During the project, a group of local experienced and non-experienced engineers will be trained and certified and provided with calculation tools and a group of moderators for every entity, the press release said.

MONTENEGRO

Draft energy law sent to parliament for adoption

July 30

The Government of Montenegro said it approved the Bill on Energy and that the document enables electricity market's development and creates preconditions for gas market's development. New regulations, **harmonized with EU directives**, are aimed at improving the business environment for investing in the construction of energy facilities, the official website said. The bill, prescribes conditions for conducting energy activities and their effective implementation in order to provide energy supply in a more efficient and safer manner, the government said. The document also covers the power and gas market's organization and management, the incentives for generating energy from renewable sources, and energy efficiency in the field of electricity generation, transmission and distribution, the report adds. The Law on Energy had been amended in late February.

The cabinet also adopted the Bill on Cross-Border Trade in Electricity and Natural Gas, including preconditions for the country's energy and gas market's integration with the EU, in compliance with the rules of the bloc and the Energy Community.

Call for purchase and installation of solar systems

July 31

The Ministry of Economy announced a public invitation for public procurement for purchase and installation of photovoltaic systems **in summer pasture lands**, the Directorate for Energy Efficiency said in a press release. The invitation is published on the website of the Public Procurement Administration.

The bids for the project, worth an estimated EUR 55 million for co-financing 70% of individual installations, will be received until September 9. The best offer will be selected within 120 days. The guarantee for the bid is worth 2% of the estimated sum. Deadline for completion is 365 days after the contract is signed.

As the directorate published in April, in order to provide better living and working conditions for a large number of households residing on summer pasture lands and in order to create conditions for increasing

the number of farmers in summer pasture lands, the Ministry of Economy and the Ministry of Agriculture and Rural Development have continued with the implementation of the project Solarni katuni.

Transmission operator reports profit drop

August 3

In the first half of the year the net earnings of CGES (Montenegrin Electrical Transmission System) were EUR 2.19 million, 3.6 times smaller than in the first six months of 2014. In a filing to Montenegro Stock Exchange the company reported **sales of EUR 15.4 million**, marking a 23.3% drop year on year. Expenditure rose 8.3% to EUR 12.46 million and total assets rose 2% to EUR 223.67 million, news agency MINA-Business said.

Long-term reservations were EUR 38.24, and short-term ones EUR 9.85 million, while undistributed gain was EUR 19.77 million. The company said its delayed tax liabilities were EUR 715,640. The government owns 55% of the stock, while Italian investor Terna has 22.09%.

A2A prolonged contract for another two months

August 4

Italian minority stakeholder in national electric power industry EPCG (Elektroprivreda Crne Gore AD Nikšić) agreed with the state government to prolong the contract for another two months, after **three similar interim deals from early April**. The partnership dates back to 2009, and A2A said negotiations about the future ownership structure are continuing, according to a report by MINA-Business on portal **Cdm.me**.

“*The Italian side believes it is not the time for the expansion of Pljevlja thermal power plant.*”

The Government of Montenegro, company's **majority owner, does not share the vision about priority investments** with its partner, the article said. The Italian side believes it is not the time for the expansion of Pljevlja thermal power plant, worth at least EUR 338

million. A2A failed to find a third partner for the project, according to the news agency's information. There is also no deal in sight about the investor's potential exit, as sources say the share is now worth much less than the EUR 430 million it paid for it six years ago.

EPCG told MINA-Businesss the total households' debt in electricity bill reached EUR 139 million, but it stopped growing. The company said it plans to start another campaign of offers for prolonging the payment to customers. EPCG said it was the regulatory body RAE that allowed it to include an extra 9% in the electricity bill sum to cover transmission losses.

Croatian state-owned power utility **HEP and its Serbian peer EPS are eyeing acquisitions** abroad and EPCG is seen as a possible target, media in the region said in April.

Concession award and consultation for SHPPs announced

August 24

Ministry of Economy is receiving applications for concession award to exploit water streams for construction of small hydropower plants (SHPPs) on the rivers of **Bukovica, in Šavnik municipality in central Montenegro, and Štitarička, in Mojkovac in the country's northeast.** It also organized a public consultation on the amended proposal for concession award for SHPPs on northeastern streams of Sjevernica in Kolašin municipality, Bistrica and Lještanica in Bijelo Polje, and on Bjelojevička in Mojkovac. The consultation was wrapped up on August 24. **Projects on Bistrica and Bjelojevička had their contracts terminated** by the government because it determined developers failed to fulfill commitments.

Subject of concession for Bukovica and Štitarička is design and planning, construction, use and maintenance. A bidder, either as a separate party or as a consortium member, is allowed to apply for one water stream. The price of tender documentation is EUR 500. Applications can be submitted until October 5, in Montenegrin language, the ministry said. Each bidder is to submit a **bank guarantee in the amount of EUR 25,000.**

All concessions are for 30 years and the fee is fixed at 6.5% of yearly power generation but it mustn't be less than 5% from the plan in the bid.

Call for bids for clinical centre's new façade

July 31

An invitation was published by the Technical Services Unit (under the Ministry of Finance), in the name of Ministry of Economy and Ministry of Health, for consulting companies to submit bids for replacement of façade joinery on the main building of the Clinical Centre of Montenegro. The country's government has received a loan in the amount of EUR 5 million from the International Bank for Reconstruction and Development (IBRD) in order to finance the continuation of the **'Energy Efficiency in Montenegro' project.** Its aim is to improve energy efficiency in healthcare facilities and to increase the public awareness related to energy efficiency measures, Directorate for Energy Efficiency said in a press release. Part of the proceeds is intended for the payment of the works from this invitation for bids.

“The process will be conducted through the International Competitive Bidding (ICB) procedures specified in the World Bank's Guidelines: Procurement under IBRD Loans and IDA Credits.”

The process will be conducted through the International Competitive Bidding (ICB) procedures specified in the World Bank's Guidelines: Procurement under IBRD Loans and IDA Credits, the press release said. Bids must be delivered to the address below at or before September 9, 12:00 local time. Electronic bidding shall not be permitted, the invitation said.

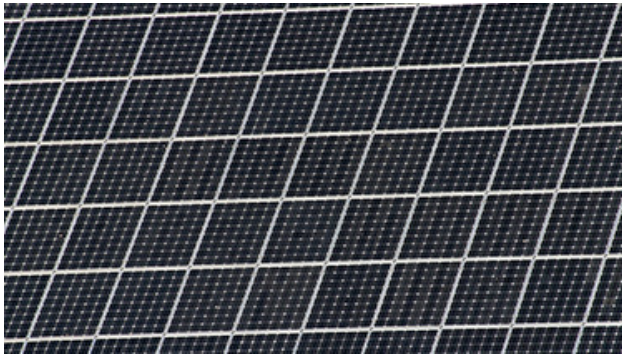
Montenegro – Energy Efficiency Project (MEEP), implemented from February 2009 until December 2014, was the first one in the country of its kind and it covered six hospitals, eight schools and a students' dormitory with a budget of EUR 6.5 million. The results, including energy savings and improvement of conditions for patients and workers, influenced the government to take a new loan of EUR 5 million, so the programme was extended in 2013 as MEEP Additional Financing.

Invitation for bids

CROATIA

Island of Vis to host solar power plant of 2 MW

July 28



A remote Adriatic islet in Split–Dalmatia County may get its first power plant and significant energy autonomy, as it currently depends on a submarine link with the island of Hvar.

Vis mayor Ivo Radica told Dalmacija News a location permit is needed, as well as a spatial plan for the wider area. He added he got people from Končar – Renewable Sources DOO interested in the project for the **2 MW facility, biggest of its kind in Croatia**. In comparison, the whole island of Vis, with fewer than 3,500 permanent residents, needs 3.5 MW of capacity in the midst of the tourist season. An idea from the 1990s came alive a few years ago.

Now the concept design is already prepared, and several other documents are awaiting approval from the authorities, including the grid connection plan and environmental impact evaluation, Nastja Čuček from Končar – Renewable Sources told the portal. She added the investment can be estimated after paperwork is done. Čuček underscored that domestic companies may equip the whole power plant.

Radica had said in early 2013 that the Griževa glavica location of five hectares is state property in the centre of the island.

Meanwhile, the northern Adriatic island of **Krk is striving for energy independence**, free of carbon-dioxide emissions, as it is expected that by 2030 it will be completely powered by renewable energy sources. Also, a **small Dodecanese island of Tilos in Greece** combines power generation from renewable energy sources with storage in developing an autonomous smart grid within a multinational European demonstration and research project.

Ombla HPP environmental impact assessment rejected

August 10



The Croatian Ministry of Environment and Nature Protection has refused state-owned HEP Group's nature impact assessment for the Ombla hydropower project near Dubrovnik, CEE Bankwatch Network reported. In its **decision published on 28 July**, the ministry cited significant negative impacts on preserving the integrity of the Ecological Network (Croatia's part of the Natura 2000 network), "which cannot be excluded, in spite of mitigation measures". Minister Mihael Zmajlović said **Ombla HPP would add less than 2%** to power generation capacity in the country and that **the environmental impact would be serious and permanent**, according to a report on HRT (Croatian Radiotelevision).

The move comes more than two years after the European Bank for Reconstruction and Development withdrew from financing of the 68 MW underground HPP. HEP attempted to push on, but after negative submissions to the public consultation on the nature impact assessment by local people, NGOs including Bankwatch's member Zelena akcija / Friends of the Earth Croatia, and expert bodies like the State Institute for Nature Protection and **Croatian Biospeleological Society**, the ministry has put a stop to the project, the report said. **Dubrovnik City Council unanimously adopted a declaration** in May against the construction of the power facility.

Elijana Čandrić, HRT's economy editor, commented the project was 30 years old. Several years ago the funds were finally secured by the EBRD, but the contract was terminated and the government even paid penalties for two years, she added.

Permits quota for small hydro plants largely untapped

August 13

Croatian Energy Association said it finished the ninth addition to the study on the state of renewable energy projects in the country, based on data published in early August by national energy market operator HROTE. That institution issued a document in early August, stating the 2020 quotas for wind and solar power are full, with very little capacity remaining for biogas, geothermal energy and biomass, the report said. Still, investors can add 93.68 MW more in small hydropower plants, where the quota for 2020 is 100 MW.

On August 7, there were 1,207 power plants using renewable sources that were in the system for incentives, with an overall capacity of 430,88 MW, compared to 412.59 MW from 1,070 facilities at the end of January, the report on portal Croenergo.eu added. **The system has 130 new photovoltaic units**, one hydropower plant, three biomass-fuelled facilities and three that run on biogas.

The 16 existing wind parks contribute to the mix with 339.25 MW, while the 1,155 solar farms have an overall 40.39 MW. The third place by capacity is now held by biogas-fired power plants, having 15.93 MW, and they overtook the rank from biomass facilities, which have 14.93 MW. The biggest individual power supplier in the segment of renewables is the 43 MW wind park of Velika glava, Bubrig and Crni vrh, operated by RP Global Danilo.

Another 138 electricity-generating facilities with 502.62 MW are in the pipeline, power purchase contracts show. Most planned capacity, 404.7 MW, will come from wind parks, while biomass-fuelled generators are supposed to add 56.8 MW, the article said.

HSE joins Intercontinental Exchange to trade power

July 27



The HSE Group (Holding Slovenske elektrarne d.o.o.), the largest Slovenian organization in the area of power generation and the largest producer and trader with electricity on the wholesale market in Slovenia, became a member of Intercontinental Exchange (ICE), a network of markets and clearing houses founded in Atlanta in 2000, which runs 23 platforms throughout the world.

The company **became a trade participant with the mnemonic HSE**, Dee Blake, head of regulation in ICE Futures Europe, said in a circular note. Intercontinental Exchange acquired the London-based International Petroleum Exchange in 2001. HSE Group is first in Southeastern Europe to start trading in that marketplace.

Full membership in one of the world's biggest exchanges, like ICE, opens new business opportunities, primarily for trading in certificates for carbon dioxide, said Tomaž Štokelj, HSE's executive manager of sales and trading. The holding has subsidiaries and offices in Slovenia, Croatia, Serbia, Macedonia, Italy, Hungary, Czech Republic, Romania and Slovakia, according to its website. HSE is a member of the European (German) Energy Exchange (EEX), Energy Exchange Austria (EXAA), French Powernext, Italian IPEX, Czech OTE and PXE, and the regional energy exchange Southpool.

BOSNIA AND HERZEGOVINA

Tissue maker awaits funds from EBRD

August 3

European Bank for Reconstruction and Development said it is considering the provision of a long-term **loan of up to EUR 4.5 million to Paloma DD** for energy and resource efficiency investments as well as working capital needs. The investment will support a balance sheet restructuring, improve resource efficiency at the tissue producer and facilitate its privatization. The project has passed final review and is pending board approval with September 2 as the target date.

Paloma is a Slovenian integrated hygiene and tissue paper producer with 2014 revenue of EUR 87 million and ebitda (earnings before interest, taxes, depreciation and amortization) of EUR 6.7 million. Paloma has four paper machines with total paper production capacity of 72,000 tons and 28 converting lines with capacity of 93,000 tons, says the project summary document.

“*Paloma has four paper machines with total paper production capacity of 72,000 tons and 28 converting lines with capacity of 93,000 tons, says the project summary document.*”

The endeavour is categorised B under the bank's 2014 Environmental and Social Policy. The production of tissue paper and tissue converting is associated with limited adverse environmental and social impacts, which can be effectively mitigated with modern techniques, EBRD said. The proposed investments will improve energy and resource efficiency of selected parts of the production facility and have no significant environmental or social impact, according to the document.

The investments financed by the loan are aimed at further improving the tissue paper mill's energy efficiency and environmental performance. The project will also allow for increasing the use of recycled paper as raw material and improve resource efficiency of the company and result in raw material cost savings, EBRD's document adds. The tissue production will not be increased.

Integral inženjering hired for works on SHPP Bočac 2

July 23

Company Hidroelektrane na Vrbasu (HEV) AD Mrkonjić Grad, hydroelectric facilities operator from the west of the Republic of Srpska entity, signed a **BAM 16.53 million (EUR 8.45 million) contract** with Integral inženjering DOO from nearby Laktaši on July 20 for construction works in the project of small hydropower plant Bočac 2. **The deadline for the completion is two years** and machines were already operating at the site, according to Glas Srpske newspaper's portal.

Nedeljko Kesić, head of HEV, said **the initiative for the SHPP dates back to 2006**, Mrkonjić Grad's municipal website reported. With help from local authority and with understanding from the government of the republic, all obstacles were successfully overcome, resulting in SHPP Bočac 2 being constructed, he added and announced the start of hydropower plant project Krupa 2018 in two years.

“*HEV signed a concession contract with the Government of the Republic of Srpska in May last year.*”

Slobodan Stanković, Integral inženjering's general manager, stated he hopes the works would be finished before the set deadline, and that the concern is that big rains could make the lake accumulate large quantities of water and block construction activity. There is little room to manoeuvre as the construction site is next to the regional road and the river, he underscored.

HEV signed a concession contract with the entity's government in May last year. The company is financing the project with its own funds. **The SHPP is projected to generate 41.6 GWh per year** with a maximum capacity of 8.76 MW. It will be built on the Bočac 1 hydroelectric plant's compensation lake, 7.3 kilometers downstream on Vrbas river. Andritz Hydro will mount the turbines and other equipment.

Venture company will construct CHP plant in Foča

July 28

Municipal Assembly of Foča, located in the Republic of Srpska in the southeastern part of Bosnia and Herzegovina, adopted a document about establishing a limited liability company (DOO) Energana-Foča in collaboration **with Energo Alfa Prague SRO from the Czech Republic**. Partners plan to construct a combined heat and power (CHP) plant in Brod na Drini industrial zone, Srpska's news agency Srna said.

The project will make use of local wood industry's unfinished pre-war facility of Nova energana, owned by the entity's government, which signed an agreement last August with the Czech investors. Municipality head Radisav Mašić said the CHP plant may be the solution for the question of district heating for the town. He added it would secure energy for the industrial zone and that part of the generated power would be sold through the national grid. Mašić stated the investment is estimated at EUR 50 million, but that the municipality brings only the building and land into the venture, with the Czech firm having 90% of the assets.

The power plant's boilers are planned to be fuelled with brown coal from nearby Miljevina mine, and wood waste, the mayor said and underscored investing could start early next year and that works should be completed within two years. The small wood processing factory of Maglić also produces pellet, media said.

Canton grants concession for SHPP in Olovo

July 28

As investor Energonova DOO from Sarajevo agreed to a fee of 10% and to invest at least BAM 80,000 (EUR 40,920) in village infrastructure, the authorities of Zenica-Doboj Canton approved the concession for the construction of a small hydropower plant in Petrovići in the territory of Olovo, in central part of Bosnia and Herzegovina.

The future object on Stupčanica river will **also bring a one-off fee of EUR 42,260** to the region's treasury, calculated based on the investment of EUR 2.82 million. The article on the official website of the canton adds projected capacity for the plant is 1.555 kW and that yearly generation will be up to 4.9 GWh, which would bring the yearly fee to more than EUR 30,680. The project had received go-ahead with its spatial documentation.

Applications for wind farms of 42.9 MW and 48 MW

August 3



Energy Ministry of the Federation of Bosnia and Herzegovina, one of the country's two autonomous entities, issued a report on recent applications for energy permits – **ten solar power facilities between 10 kW and 987 kW of capacity**, and two wind parks, with 42.9 MW and 48 MW.

The application for the first one, by the name of Orlovača, was filed by HB Wind DOO from Livno. The wind farm project includes 13 turbines and a plan for yearly generation of 99.06 GWh.

The latter application was sent by Kamen-Dent DOO from Mostar, and its project is called Kupres 1. It includes 16 turbines, which should produce 139.5 GWh per year.

Elektrosan DOO from the town of Bihać applied for an energy permit for Podveležje 1 photovoltaic facility. The solar park is projected for 987 kW and yearly generation of 1.48 GWh per year, the ministry said. Other applications were for solar power project with a capacity up to 150 kW.

Distribution's earnings recover to positive balance

August 5

Elektrokrajina AD, state-owned power distribution for the western part of the Republic of Srpska, reported **better results in the first half of the year** than from January through June 2014. Distribution losses dropped 0.56 percentage points to 15.48%, said the company, part of holding ERS (Elektroprivreda Republike Srpske MP AD). In comparison, the losses were 5.8 points higher in the first half of 2012, Glas Srpske newspaper reported.

Seka Kuzmanović, Elektrokrajina's chief executive, said the company is managing to cut losses through stricter

control, relocation of measuring spots, identification of unlawful utilization, adopting remote expenditure tracking, and development of distribution network. "The trend of increasing electricity bill collection also continued, with 103.25%. Apart from our collection for current usage, we also collect receivables based on reprogramming that had been agreed," she said.

Turnover was BAM 105.77 million (EUR 54.08), 3% more year on year, while expenditure dropped by 2.8% to EUR 54.04, resulting in net profit, unlike in the same period of 2014, when a loss of EUR 221.89 million was registered, as a consequence of heavy flooding in May that caused damages to installations, facilities and buildings. In the first half of this year, Elektrokrajina invested EUR 4.91 million in repairs, distribution network's development and machinery.

Sarajevo gets solar benches with help from Sweden

August 14



Six multifunctional seats powered by the Sun's energy have been installed in the centre of Bosnia and Herzegovina's capital city. The devices serve as public lighting and as chargers for mobile phones and tablets, Radio Sarajevo's portal reported.

The solar benches give **information via bluetooth about air quality, energy generation, and reduction of carbon dioxide emissions**, said Amina Omičević, expert on ecology who initiated the project.

Sarajevo got its public solar-powered devices thanks to support from the embassy of Sweden. The design of the benches is based on LED technology.

Recently a very **similar solar bench was constructed and installed in Solin** in the south of neighbouring Croatia. Also, an inventor from Larissa in Greece created a version made of wood as a gift to his city.

Power utility ERS suffers net income plunge

August 14

The consolidated net profit of state-controlled power utility Elektroprivreda Republike Srpske (ERS) plummeted to BAM 9.1 million (EUR 4.7 million) last year, from EUR 27.15 million a year earlier, company data indicated, as reported by **SeeNews**.

Consolidated total revenues fell 5% to EUR 341.5 million while **electricity output fell 10.5% to 5.7 TWh**, data showed.

The three hydropower plants operated by ERS generated a combined 2.5 TWh, down 13.7% from 2013, when hydrological conditions were more favorable. The output of the utility's two thermal power stations dropped 2.2% to 3.13 TWh.

ERS, which operates installed capacity of 1.35 GW, is the power utility of the Republic of Srpska, one of the two autonomous entities that form Bosnia and Herzegovina. The other is the Federation of Bosnia and Herzegovina, where power utilities Elektroprivreda HZHB and Elektroprivreda BiH, the largest of the three, are based.

CGGC interested in investment projects in Republic of Srpska

August 19

Petar Djokic, Minister of Industry, Energy and Mining of Republic of Srpska met with Chen Xiangdong, General Manager of China Gezhouba Group Corporation (CGGC), leading Chinese company in energy and infrastructure facilities construction, reads the website of Republic of Srpska Government. The Minister presented the CGC's delegation headed by Chen Xiangdong with the projects currently underway in the Republic of Srpska, as well as with the future ones within the development plan for Republic of Srpska's energy sector.

We are open for new investments, in particular, we are interested in a public private partnership model whereas ERS (Elektroprivreda Republike Srpske AD) would be a development projects carrier, said Djokic. The Minister, on behalf of the Republic of Srpska Government thanked CGC's representatives for their readiness to support investments and at the same time expressed confidence in possibility of establishing good cooperation with this Chinese company.

CGGC's General Manager, Chen Xiangdong, said that the company is, besides investments in the energy sector, also interested in investing in mining sector and traffic infrastructure. CGGC is a state-owned enterprise that has contributed during 45 years of operation to over 4,000 engineering projects worldwide including the Three Gorges, the world's largest power station in terms of installed capacity (22,500 MW).

Challenges and potentials headline

Renexpo BiH

August 27

Second international trade fair and conference on renewables and energy efficiency in Bosnia and Herzegovina has been announced by Reeco Group. On November 4 and 5 Renexpo BiH is gathering investors, decision makers, representatives of ministries and municipal authorities and businesses. The organizers said the aim is to **promote the concept of energy efficient construction and the use of renewables**, presenting challenges but also market potentials of the region.

This year's Renexpo BiH will also be devoted to the market potential of small hydropower plants and new technologies, but also the legislative framework and potential projects in the Western Balkans. More than 200 experts from the Western Balkans, as well as professionals from several countries in Europe, will participate in a round table, Reeco said. German International Cooperation (GIZ) will present principles, technologies and techniques of energy efficiency in buildings. Geothermal conference will be organized on November 5 by Hermes EPC Group and Hermes Engineering Procurement Construction. Projects and opportunities from Montenegro will also be presented.

Exhibitors and investors can find about more than 100 available projects from the region. Photovoltaic power has its share in submitted endeavours, with three land-plot and one rooftop project incorporating 39 industrial buildings.

Geothermal Municipality Day will be organized by British and German experts. There will be a Small Hydropower Expert Exchange with teams from Montenegro, Serbia, Bosnia and Herzegovina and Croatia. Energy Efficiency Typology Exhibition, business meetings and Premiere of Energiewende – the Energy Transition will be some of the main points of Renexpo.

Equity and cash fund acquisition of solar parks

July 27

Transeastern Power Trust, a Toronto-based investor in renewable energy assets chiefly in Romania and Eastern Europe, said it closed the previously announced acquisition of two photovoltaic plants in Romania and a CAD 5 million (EUR 3.44 million) secured debt facility provided by Sprott Resource Lending Partnership. The aggregate purchase price (net of assumed debt) **for the solar companies is EUR 9 million**, Transeastern's press release said. The deal was partly funded by a transaction from July 24 in which **RG Renovatio Group Limited of Cyprus acquired a 26.65% share** in the Canadian entity for EUR 4.68 million, the document said. Most of the remaining funds are cash.

The solar plants have been in production for over two years with a total capacity of over 16 MW, the press release said.

“The strategy for the public-traded investor includes diversifying from hydro with solar and wind.”

J. Colter Eadie, chief executive officer of Transeastern, commented: “The acquisition of these two projects has been transformative for the trust. We have more than doubled our installed power production capacity on a basis that we expect to be immediately and highly accretive to the trust and dramatically lowered our projected payout ratio. We anticipate that approximately half of our power generation will now come from solar. This diversification reduces our exposure to hydrology, and de-risks our entire operation.”

Transeastern's officials had said earlier this year they were **focusing on Eastern Europe's markets** for lower multiples of cash flow and much higher returns than in the continent's west. The strategy laid out for the public-traded investor included diversifying from hydro with solar and wind. Transeastern went public in May last year. It has direct and indirect subsidiaries in Canada, the Netherlands and Romania.

Investors want to block new green energy projects

July 29

Investors in the renewable energy sector asked the government to temporarily suspend the accreditations for new renewable energy plants, Romania Insider reports.

In an open letter sent to prime minister Victor Ponta, energy minister Andrei Dominic Gerea and energy authority ANRE, four renewable energy producers' organizations have asked for urgent measures in order to avoid the industry's collapse. They requested the state to increase the share of the renewable energy in the national energy mix. The government had reduced it for captive consumers from 17% to 12.5% in 2014 and has kept it at that level in 2015, the report said.

The reduction generated a surplus of **green certificates**, "which are now papers without value," according to the producers' associations. Romanian authorities avoid doing what all other governments did in similar situations, which is to suspend the access to the support scheme for the new projects until viable solutions are found, producers say, as reported on Romania-insider.com.

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.

Mecasolar supplies equipment to solar plant

July 29



Photovoltaic facility in Prahova of 108 kW had two-axis trackers delivered by Mecasolar (Mecanizados Solares SL), which said the plant is **expected to have an annual output of 183.000 Kwh** and save 90 tons of emissions. It features eight 13.15 kW trackers and more than 432 modules.

Solar trackers are capable of increasing photovoltaic solar energy production by more than 35%, when compared to a fixed installation, the company's website said, adding this maximizes profits by reducing the investment in solar panels.

In May, Mecasolar, headquartered in Fustiñana, Spain, has supplied 1 MW in **two axis trackers to a photovoltaic project in Miroslava**, 400 kilometers north of capital Bucharest. In early July it announced a total of 47 trackers, using 420 axes of up to 10.8 kW per axis, and 18,960 modules of 240 W of nominal power would be installed in a **new solar power project in Korkuteli in Turkey's Antalya** province.

“Solar trackers are capable of increasing photovoltaic solar energy production by more than 35%, when compared to a fixed installation.”

The company specializes in the design, manufacture and supply of dual-axis and horizontal, azimuth or polar-aligned single-axis trackers, fixed structures for ground- and roof-mounted solutions, and Mecascrew foundation screws for photovoltaics. Mecasolar's trackers with a total power of over 400 MW have been installed in more than 40 countries, according to its website. Its manufacturing plants are in Spain, Canada, United States and Greece.

Inspection at pellet maker Holzindustrie Schweighofer

July 31

Minister of Environment, Water and Forests has notified the prosecutor of the Supreme Court about irregularities found during an inspection at the Austrian company Holzindustrie Schweighofer and other timber producers, Energy World Magazine reported.

Between May 7 and June 12, the ministry carried out inspections at factories in Sebeş and Rădăuți, and at the headquarters of the company's main timber suppliers. Holzindustrie Schweighofer is the biggest timber producer in Romania. The company also runs cogeneration energy plants and produces pellets and wood chips. The inspections came after an international environmental organization presented evidence that the group was **encouraging illegal forest cutting** in Romania, the report said.

Undercover investigators from the Environmental Investigation Agency (EIA) posed as foreign investors who had acquired the rights to cut a specified

amount of timber on land, Romania Insider said in an article. They told they intended to cut more than was permitted under contract and they needed assurances that the company would accept the wood. Austrian businessman Gerald Schweighofer, the company's owner, issued a statement denying the allegations.

Last year the company had a turnover of EUR 447 million and a net profit of EUR 66 million. It employed over 1,800 people.

Ingeteam opens subsidiaries in Romania, Philippines

August 3

With the opening of two subsidiaries in Romania and the Philippines, Ingeteam has increased its global presence to 17 countries in all five continents.

The company said it that in Romania it is focusing on wind power, more specifically **power plant maintenance**. With its establishment in this country, Ingeteam, headquartered in Spain, is to provide operation and maintenance services for almost 400 MW, accounting for 12% of the country's total installed power, according to its press release. For the head offices in Bucharest it plans to hire 35 people through 2016.

On the other hand, the Philippines is one of the countries with the highest growth forecasts in Southeastern Asia, Ingeteam said. At the end of 2011, the country had an installed wind power of 33 MW, with plans for the installation of more than 500 MW by year 2020. This new subsidiary has led to the creation of local employment in the islands of Luzon, Guimaras and Panay, with the recruitment of some twenty new employees, according to the company's website. Ingeteam has signed its first contract in the country, for the provision of services for 174 MW, 68.5% of overall installed power.

Electricity production increases by over 10%

August 5

Romania's electricity production reached 64.8 TWh last year, up by 10.5% compared to 2013, Energy World magazine reported. **Domestic consumption amounted to 57.7 TWh**, up by 1.9% compared to 2013. Romania was a net exporter, as the import-export balance reached 7 TWh, according to Romania's Energy Authority ANRE.

Wind energy had a 9.56% share in the local energy mix last year, compared to 8.05% in 2013, the article said. Solar energy reached a 2.52% share, from 0.7% in 2013, whereas the share of energy produced in hydrocarbons power plants dropped from 15.5% in 2013 to 11.96% in 2014. The share of hydropower production was 29.22%, an increase of 3.47% compared to 2013.

Renewables take up 92% of capacity in new permits

August 7



National Energy Regulatory Authority (ANRE) issued 110 permits last year for setting up new power production units, 92% being for renewable energy, Energy World magazine's portal said.

According to the watchdog's report, 71 permits for solar, 12 for wind farms, 9 for hydrocarbons, 12 for hydropower, 4 for biogas-fired facilities and 3 for biomass were issued. Capacity totalled 1,056 MW. The capacity installed in renewable energy units licensed in 2014 totalled 357 MW, of which **219 MW in wind farms**, 21 MW in hydroelectric generation, 34 MW in biomass, including burning gas obtained from fermented waste and fermented water treatment mud, and 83 MW in solar farms.

Of the total capacity installed in renewable energy units, 256 MW were taken out from the green certificates subsidy scheme in the year, while 515 MW was temporarily suspended, representing power plants with an installed capacity in excess of 125 MW that the European Commission was notified about in line with national legislation.

At the end of last year, the capacity installed in licensed renewable energy units totalled 3,935 MW, of which 3,853 MW representing plants with electricity production licenses and 82 MW plants with construction permits.

Three companies from China bid for HPP project

August 10



State-run company Hidro Tarnița SA has three bidders left in the race for the construction of a **1 GW hydro pumped storage facility** Tarnița – Lăpușești on Someșul Cald river in Cluj county in Romania's northwest, Economica.net reported. The plant project, which has been **stalled for the last three decades**, is worth over EUR 1 billion. Preliminary bids in January were filed by five potential investors, all from China. The project is for four turbines of 250 MW and envisages the creation of a 10 million cubic metre reservoir linked to Tarnița lake. The facility will take five to seven years to complete.

China Gezhouba Group and Wuling Power Corporation are one of the remaining consortiums. Both are big dam builders, and Gezhouba's portfolio includes the Three Gorges Water Conservancy Project, world's largest hydroelectric facility. The second group is made of China Huadian Corporation companies China Huadian Engineering and Guizhou Wujiang Hydropower Development, which control dams along Wu river in China. The third consortium comprises Huaneng Lancang River Hydropower and Hydrolancang International Energy.

Hidro Tarnița counts on more than 4,000 job openings for the hydro plant.

Monsson Group dismantling wind park in Constanța

August 11

Local legislation has rendered a wind power plant in Targușor, Constanța county, unfeasible, according to its operator Monsson Group, controlled by businessman Emanuel Muntmark, Ziarul Financiar's portal said.

The company and its project partners decided to **remove turbines from the 27 MW project** due to market uncertainty, Romania Insider reported. "Unfortunately, major changes in renewables legislation don't allow the project to further meet the economic parameters estimated initially, becoming financially unfeasible. As a result, we've decided to remove the wind turbines," said Sebastian Enache, business development manager of Monsson Group. The company will keep the infrastructure and the transformation station, with further moves yet to be decided on.

“ The company will keep the infrastructure and the transformation station, with further moves yet to be decided on. ”

Monsson said it could decide to redirect capital towards other markets. The wind park was built in 2012. However, it wasn't connected to the grid, because of legislative framework, according to Sebastian Enache. Established in 1997, Monsson Group has invested over EUR 200 million in Romania, in building and operating wind and solar parks, the report said. The group currently operates in 20 countries.

Hidroelectrica sells only two out of 34 SHPPs

August 13



In late July, state-owned power producer Hidroelectrica SA agreed to sell two of its small hydropower plants (SHPPs) for RON 4 million (EUR 900,000), which was the starting price in the bid, Ziarul Financiar said.

The insolvent company **called for offers for SHPPs the second time this year**, with 34 units estimated at EUR 20.4 million for sale. Hidroelectrica's representatives declined to specify the names of the buyers of the facilities of Călugarița and Vlădești, located in the regions of Argeș and Vâlcea, respectively, in the central part of Romania.

Following an in-depth investigation, the European Commission has concluded in June that electricity supply contracts signed by the state-owned power company with certain electricity traders and industrial customers did not involve state aid within the meaning of the European Union's rules. On April 21, the European Commission concluded that in the contracts between Hidroelectrica and Electrocentrale Deva SA, on the one hand, and Hidroelectrica and Termoelectrica SA, on the other, the **two companies were offered an unjustified economic advantage**, thus breaching EU norms.

Electrica's profit soars 29.8% in first half

August 14



Power supplier and distributor Electrica said its consolidated net income jumped 29.8% to RON 277.1 million (EUR 62.8 million) in the first half of this year, while operating profit climbed 13.5%, **SeeNews** reported.

Electrica's operating revenue rose 7.5% to EUR 131.75 million, the company said in its unaudited consolidated financial report. **Operating profit rose to EUR 71.24 million** from EUR 62.76 million. Net financial income jumped to EUR 3.65 million from EUR 517,000 a year earlier.

Revenue from the distribution segment increased 7% to EUR 231.9 million, while revenue from the supply segment climbed 5% to EUR 488.3 million. The group distributed 8.5 TWh to approximately 3.6 million users, representing an increase of 6% compared to the year-ago period. Electrica's investments in its distribution network increased by 21% to EUR 39.39 million in the first half. The group purchased electricity worth EUR 290.4 million in the six months through June, up from EUR 254.4 million a year ago.

Blue-chip Electrica is simultaneously listed on the Bucharest Stock Exchange and the London Stock Exchange with a free float of 51.2%. The group operates in highly populated and industrialised areas of Romania. Electrica's distribution business operates nearly 8,500 kilometres of high voltage lines, some 46,000 kilometres of medium and around 135,000 of low voltage.

First solar-powered residential project launched

August 19



Construction works on the Cartierul Solar Residence, the first project in Romania designed to be powered by photovoltaic panels, have started in Bucharest and are **projected to end in September 2017**, according to an announcement by developer Ad Astra Partners, Business Review reported.

The power produced by panels will lead to zero energy costs for the common areas of the buildings, developers say. Following an investment of EUR 45 million, the complex will span 61,000 square metres and will include 15 buildings, each having six storeys and a semi-basement.

Situated in the southern area of Bucharest, near the Gros Market, the project will be developed in stages. Each building will have a green energy system comprising solar panels placed in six rows of 20 panels each and an inverter designed to transform direct current to alternate current. Total production from the 1,800 panels is estimated to reach 600 MWh per year and is projected to cover common area energy needs and generate income by producing green certificates.

BULGARIA

Businesses blame renewables for power price hike

August 3



Bulgarian energy watchdog head Ivan Ivanov said he wouldn't step down after nationwide protests and calls by employers' unions for his resignation over a hike in power prices for industrial consumers. Ivanov insisted that the Commission for Energy and Water Regulation (KEVR) adopted a "transparent, fair and public decision" on July 31, **cutting rates for households by 0.11% on average**, Novinite news agency said. Trade unions also staged protests, warning that the hike will result in thousands of jobs being cut and tremendous losses for industries.

In his words, KEVR will not defend "corporate interests" voiced by "a certain part of consumers". Despite admitting the new surcharge for businesses is high, he has insisted there is no other option to tackle financial imbalances generated by the state-owned National Electricity Company (NEK). "Businesses, where they are upright, are not to blame, but I am now posing the other question: how can citizens be to blame for the huge deficit?" he was cited by Novinite.com. Ivanov said electricity costs for bread producers are 5% of the total, meaning that bread prices go up by 3.89 euro cents. The chair of KEVR reminded that the price of natural gas had dropped by a total of 20% and that the previous increase in electricity prices had seen household tariffs go up by 10% and industry tariffs by 1%. Ivanov argued that the business sector had received preferential treatment for two years.

The hike was largely caused by setting the so-called "obligation to society fee" for most consumers to BGN 38 (EUR 19.43) per MWh. Households used to pay EUR 27.1, while businesses had been charged EUR 10.19. Energy minister Temenuzhka Petkova made clear that energy-intensive companies would be entitled to discounts of 50-85% of the component,

depending on their power consumption. She said state-owned companies in the sector will be able to save EUR 10.23 million this year. Petkova reminded of the government's commitment to cut the segment's expenditures by 10% every year until 2017. The cabinet had taken steps to reduce the burden on industries which buy energy from renewable sources at preferential, high prices, she added. In her words, the measure was pending approval from the European Commission. Bulgaria is trying to cut the EUR 1.89 billion deficit piled up by the state-owned utility NEK (Natsionalna Elektricheska Kompania EAD).

Prime minister Boyko Borisov said a new special unit of prosecutors and counter-intelligence and security officials would oversee the energy sector, due to of **lack of control over invoices** between renewable energy producers and regional power distributions, Energy World magazine reported.

At a meeting on August 2, employers said they would go on with their protest and take to the streets again in September if the measure is not reversed. Vasil Velev, Chairperson of the Association of Industrial Capital in Bulgaria, said it was "mere myth" the households were paying the disputed fee. Attempt by the state to establish another monopoly in the energy sector is inexplicable, said Mariyana Kukusheva from the association of bakers and confectioners, speaking for Focus news agency. Energy from renewable sources should be in the free energy market, she stated and added the standard of living is dropping as well as consumption.

“ On July 22 the parliament passed amendments to the Energy Law envisioning the creation of a fund to cover NEK's deficit. ”

On July 22 the parliament passed amendments to the Energy Law envisioning the creation of a fund to cover NEK's deficit, the Sofia Globe reported. All electricity producers and importers are required to pay 5% of revenues monthly for system security. The fund is to be managed by a board headed by a person appointed by the Energy Ministry. Several attempts to draft a compensation mechanism by either reducing the subsidy for renewables or generating additional revenue have all failed, while the regulator has balked at the prospect of raising consumer prices to fully factor the drastic increase in electricity generated from renewable sources, because of the expected consumer backlash, such as the **street protests that**

brought down the previous government of prime minister Borisov in February 2013, the report said. The creation of the energy security system fund is the first step towards liberalization of the energy market, energy minister Petkova stated at the parliament.

The ambassadors of Italy, South Korea and the United States had opposed the set of amendments in a letter to Borisov and Petkova during the procedure in the parliament. "Hundreds of millions of euro was invested in the Bulgarian economy in the form of renewable energy projects built by investors from our countries," the envoys stressed, adding that green energy contributed to energy security. The diplomats claim the assumption that renewable energy producers have been granted too many preferences is a misunderstanding. They pointed out that a large part of the investors have not received dividends. They reminded that retroactively applied measures have been blocked by court before.

SBI Offshore buying majority stake in solar assets

August 4



A cash and shares transaction has been announced for 51% stakes in four photovoltaic plants in Bulgaria and two operating companies operated by Gräss Group from Germany. SBI Offshore, listed on the Singapore Exchange, said it will pay SGD 13.97 million (EUR 9.03 million) to its German partner, and assets will be injected into Graess Energy Pte Ltd, its Singapore-based joint venture with a 51% stake, to construct, own, and operate solar photovoltaic energy systems and plants.

SBI Offshore will pay the Gräss Group EUR 1.49 million in cash and issue 44 million new shares at 171 euro cent, worth EUR 7.56 million. The latter will enlarge SBI Offshore's issued share capital to 293,680,100 shares. The issue price per consideration share represents a 15.72% premium over the volume weighted average price for the trades of SBI Offshore on July 30, the press release said.

Solar power plants at various locations in Bulgaria have an installed capacity of 16.3 MW. They have been operating since 2012 with 20-year power purchase agreements, and were so far wholly owned by the Gräss Group. SBI Offshore will acquire a 51% stake in Gräss Engineering GmbH, an engineering, procurement and construction company, and Gräss Operation SBI Offshore Limited Maintenance GmbH which provides operation and maintenance services. The two German-based companies were wholly owned by the Gräss Group.

Chan Lai Thong, Executive Chairman of SBI Offshore, said: "This acquisition will provide us the track record and capabilities to accelerate SBI Offshore's foray into solar energy, and enable Gräss Energy to tap strategic growth opportunities in Asia.»

Phantom energy companies drain government funds

August 11

Thermal power plant operators AES and ContourGlobal, alongside renewable energy sources, will remain the primary sources in the energy mix of Bulgaria, a recent document shows. The latest pricing changes show that AES's Maritsa Iztok-1 and ContourGlobal's Maritsa Iztok-3 set their share in the system at 20% and 25.2%, respectively, 3e-news.net reported. Meanwhile, according to an article by Standart News, much of the money from electricity bills is sinking into the pockets of the energy mafia, data in the report of a temporary committee on the topic show.

Renewables, the most expensive energy, which had preferential status for years, form 18.8% of the mix, news agency Novinite said in a report. State-owned Maritsa Iztok-2 thermal power plant and the Kozloduy nuclear central have seen a substantial decrease in their respective shares, now at 4.1% and 6.7%. This comes, however, just after the government had explained it would take Maritsa Iztok 2 out of the regulated market. The rest is generated by heating utilities 16.3% and the hydropower plant owned by the National Electricity Company (NEK), 8.75%.

The state buys electricity at preferential prices of four photovoltaic plants, which do not exist at all and as such never received permission to operate, the Standart News article said. Another five were selling electricity for months before obtaining a permit to operate, the portal claims, citing the temporary committee's document

FYR MACEDONIA

Yadenitsa dam design update goes to tender

August 17



Bulgaria's state-owned National Electricity Company (NEK) has launched a BGN 3.57 million (EUR 1.83 million) tender for the update of the project design of Yadenitsa dam, in the southwest of the country, **SeeNews** reported.

The contract envisages the preparation of technical papers and supervision of the construction works, documents posted on NEK's website earlier in the month indicated.

The construction of Yadenitsa dam will **increase the volume of the lower reservoir of Chaira** pumped-storage hydro power plan. The price offered will have 50% weight in the final assessment of the bids, as other factors to be taken into consideration will be the bidder's technical expertise and the suggested timeframe for the completion of the project. The offers will be opened on September 28. Bidders should pay a guarantee of EUR 17,900.

Skopje's preschool institution going through makeover

July 23



Municipality of Centar in Skopje is financing the reconstruction and enlargement of kindergarten '13-ti Noemvri'. Local authorities also announced necessary measures for energy efficiency, **with new tiles, windows and heating and power installations**. The kindergarten will become an energy efficient object, and the most sophisticated ecological materials will be used in the construction works, the municipality said in a press release. It added the project solves the huge problem with floors, which have been devastated by moisture and had bad influence on health of the children and workers. New installations include sewage.

Besides the HACCP standard for the production and distribution of meals, and solutions for the future small kitchen on the first floor, an escalator for food will be installed.

The municipality invests MKD 28.6 million (EUR 465,000) in the works, for which company Žikol from the town of Strumica was hired, portal Build.mk said.

Works for energy efficient hospital starting soon

August 9

Health minister Nikola Todorov presented the project for the new building with 354 beds in the hospital complex in the town of Štip in Macedonia's east. The construction of the facility of 34,000 square meters

should start in October and last two years, **with a budget of EUR 30 million.**

Todorov specified on August 7 that energy efficiency measures include Building Management System for control over electric installations, machines and managing hospital rooms, with automatic air conditioning and lighting. Medical departments that work non-stop will be grouped together. Roof surfaces are planned for gardens with an irrigation system, and the façade is designed for sophisticated insulation, the minister added.

“*Roof surfaces are planned for gardens with an irrigation system, and the façade is designed for sophisticated insulation, the minister added.*”

Architect Ljiljana Mitrović, who received an award for the building's design last year at the Macedonian Architecture Biennale, said **the preparation of technical documentation lasted two years.** She added the green roofs would improve the microclimate and cut noise. In Mitrović's words, natural energy sources will be utilized, and the insulation and aeration of the façade will be controlled.

Roofs and façades for old residential buildings

August 14



Municipality of Kumanovo, Macedonia's third-largest town, invests in improving energy efficiency in residential buildings in cooperation with Habitat for Humanity, portal Build.mk said. The local self-government called for **applications for reconstruction from tenants' councils.**

The project is for complete overhaul, including a sophisticated façade and roof construction. Buildings in the central district have priority, the report said. In the process of ranking, applications will be selected based on criteria of location, percentage of tenants

who agree to have windows replaced, and how old the object is and how worn the façade and the roof are.

The investment cycle is the result of cooperation of the city's authority with the international organization. The local self-government covers 20% of the expenses, while Habitat secures a favourable loan for the rest.

Gruevski, Peševski visit first biogas power plant

August 14

Arben Abdurahmani, owner of the Vezë Sharri company based in Treboš near Tetovo in Macedonia's northwest, spoke with prime minister Nikola Gruevski and deputy prime minister Vladimir Peševski about the pro-business regulation being introduced and the way it is affecting his large chicken farm and **biogas power plant Elektro Sharri.** Abdurahmani said that, since he brought German capital in 2000 to open his meat-processing plant and eventually a large poultry farm, he has seen major improvements in the ease of developing real-estate and relaxing the rules for hiring workers, the government said on its website.

“*The company was helped by the government, among other things in the approval of the feed-in tariff scheme that allowed it to develop the biogas-fuelled power plant.*”

The company was helped by the government, among other things in the approval of the feed-in tariff scheme that allowed it to develop the biogas-fuelled power plant, Abdurahmani said. Vezë Sharri was the first company to build such a facility, one that **uses waste produced by the farm and other farms** to produce electricity, which can not only power the farm, but can also be sold into the distribution network for a profit.

“We stopped throwing anything away. The entire waste we produce is used in the plant, and we even collect waste from other farms, and transform it into biogas. Finally, we turn it into fertilizer that we export to Germany,” Abdurahmani said.

GREECE

Solar bench for charging gadgets installed in Larissa

July 27



Dimitris Haidas, industrial designer and artist, constructed his prototype solar bench, Energypress. gr reported. The project's author is an associate of the Department of Wood and Furniture Design and Technology in Larissa's Technological and Educational Institute.

The wooden bench, similar to ones already installed in the last several years in Serbia, **Croatia** and Bosnia and Herzegovina, has solar panels for users to charge their mobile phones and other devices via a USB connection. **The system on the top is small but powerful**, the report said.

Haidas explained users of mobile devices often use up the battery, and that he introduced an ecological solution. "I smartly connect the piece of furniture which in this case is a seat for rest, with the new technology – that a solar panel is – and I turn the bench into a charging station. It presents the beginning of the establishment of green ideas in an urban environment," he added. The inventor used parts printed in three dimensions.

The solar bench was placed at the swimming pool in Neapoli district of the town in central Greece. Haidas covered all the development costs.

Proposals drafted to reignite photovoltaic sector

July 27

HELAPCO (Hellenic Association of Photovoltaic Companies) has forwarded a letter to the newly appointed Production Reconstruction, Environment

and Energy Minister, Panos Skourletis, containing a list of proposals intended to reignite activity in the local photovoltaic market.

The organization, sent a list of proposals and included the establishment of **a tariff for systems of up to 500 KW and premiums for systems with capacities of over 1 MW**, **Energypress.eu** reported. In its letter, HELAPCO noted its proposals would ensure direct and swift growth for the sector, and added this would create thousands of jobs without any burden on the country's fiscal matters or consumers, while also promoting environmental interests.

At present, the photovoltaic market is confronted by detrimental effects caused by the imposition of capital controls as well as considerably low tariffs offered for photovoltaic energy production, which cannot guarantee the sustainability of sector investments, the association noted. Last year proved to be extremely disappointing for the photovoltaic sector. Total amount of instalment activity represented just 1.5% of installations made in 2013, while thousands of jobs were shed, the report said. New policy efforts aiming to rectify previous institutional shortcomings ended up proving disastrous for the sector, the association noted in its letter.

“Total amount of instalment activity from last year represented just 1.5% of installations made in 2013, while thousands of jobs were shed.”

Even so, solar power systems managed to cover 7% of the country's electricity needs in 2014, the highest level of all renewable energy source options, the report said. Also, those systems helped reduce the wholesale price of electricity by an average of EUR 3.38 per MWh in 2013 and 2014, according to studies conducted by the Aristotle University of Thessaloniki, the association added.

However, in solar thermal energy Greece had the biggest expansion last year among the markets followed by Balkan Green Energy News, adding 189.4 MW to top an overall capacity of 3 GW, making it third in the EU. However, **in solar thermal energy Greece had the biggest expansion** last year among the markets followed by Balkan Green Energy News, adding 189.4 MW to top an overall capacity of 3 GW, making it third in the EU.

Wind projects soon to be linked to mainland grid

July 30



The upgrade of the power network serving Evia is expected to boost wind park investments in the island's south, and in the nearby islands of Andros and Tinos. **Permits for the areas are more than a decade old**, but there was no solution for transmission, Energy Press reported.

IPTO, the power grid operator, announced in late July that it had completed work on a new high-voltage interconnector between Nea Makri in the mainland with Polytamou in Evia, Greece's second largest island, located slightly northeast of Athens, after which trial runs started. A total of 42 aeolic power projects with a total capacity of as much as 610 MW have been approved: 555 MW in south and central Evia, 46.8 MW in wind parks on Andros, and 7.5 MW on Tinos, the report said.

“A total of 42 aeolic power projects with a total capacity of as much as 610 MW have been approved.”

Development of the mostly submarine line, a project budgeted at EUR 82.8 million, has been lacking funding. Besides financing issues, delays involved local authorities, which took time to grant permits, as well as court action taken by local communities, despite the fact that the greatest part of the line's land crossing in Nea Makri was developed underground. Active wind energy facilities in the south of Evia have a total capacity of approximately 210 MW.

Investment Plan for Europe or Juncker Plan supports investments with the participation of the private sector in high-risk countries like Greece, which may be the solution for a project to **connect the island of Crete to the mainland grid**. The idea is from more than 20 years ago and the cost is ten times higher than for Evia's transmission line.

Solarizing will help Greece overcome its troubles

July 30



With energy poverty emerging as one of the most dramatic symptoms of the recession – six out of every 10 households are struggling to pay their energy bills – it is high time that Greece seized upon **its greatest and still largely unexploited asset**, said Kumi Naidoo, executive director of environmentalist pressure group Greenpeace International, in an article for the Huffington Post.

In late July Greenpeace activists protested on the island of Rhodes in the Aegean. They unfurled a 600 square metre banner pointing towards an oil fired power plant currently under construction. The banner said: 'Oil is fueling Greek debt'.

The event was **the launch of 'Solarize Greece' campaign** by Greenpeace Greece with aspirations not only for that country but for the whole of Europe. Its objectives are to help Greece kick-start solar power as a driver of the economy, to rid the country of the burden of fossil fuels that are holding it down economically, Naidoo states.

The government offered tax incentives to households for solar water heaters in the 1970s, as policy was aimed at saving power, the column adds. "That led to hundreds of thousands of households installing solar heaters and significantly reduced energy bills. Equally important, a new industry was born and soon solar heaters became one of Greece's finest export products," according to Naidoo.

He claims it is time to revisit photovoltaic power and, this time, on a massive scale, after the 'PV Spring' of 2009– 2013, driven by a feed-in tariff scheme, when capacity jumped from 47 to over 2,500 MW.

Driven by the rapid fall in the costs of solar power, new legislation allows Greek citizens to generate cheap solar power for their own consumption, rather than selling it to the power grid, Greenpeace's chief said, underscoring there is comparative advantage relative

CYPRUS

to northern European states. Sustainable investments, social welfare policies, pensions and stimulating prosperity can be funded with the EUR 800 million a year that subsidize oil imports to provide power to the country's many islands, Naidoo added.

"Greenpeace Greece sees a different energy future, and that is what its crowdfunding campaign is all about. Installing solar power in Greece's oil-dependent islands will bring relief to low-income households in need; it will help reduce oil consumption and pollution; and it will save money for Greek consumers on the mainland. Above all, it would be an example of a fair social policy that has tremendous developmental potential. Even more crucially, the campaign aspires to set in motion a transformation based on solarizing the entire Greek economy," the author concluded.

Customer's debt to PPC exceeds EUR 2 Billion

August 17

The amount owed to the Public Power Corporation by its customers topped EUR 2 billion at the end of July, the head of its Genop workers' union Giorgos Adamidis told the Athens-Macedonian News Agency.

He added **more than EUR 1.5 billion were households' liabilities**. High voltage accounts for EUR 280 million, where EUR 250 million is debt by energy intensive industries, Adamidis stated. The state is next with a debt of EUR 220 million, half of which is owed by local self-government, and the majority share in that category is held by water supply and sewage entities and local land reclamation organizations.

Households that have switched to other providers owe EUR 300 million, and Adamidis stressed the company asked the Regulatory Authority for Energy (RAE) to block customers from leaving if they have not paid their bills. He insisted measures against debtors would not be aimed at customers unable to pay, but at those who can, but do not pay. Adamidis said there is unfortunately no register with such data yet.

First state funding of renewables in agriculture

July 30



The government prepared EUR 5 million for sheep and goat farmers to fund installing equipment for the use of renewable energy – the first time this is being done in agriculture – such as **photovoltaic systems which are expected to reduce the cost of production**.

Agriculture Minister Nicos Kouyialis has announced measures worth an overall EUR 35 million for the next three years following Cyprus's official application to register halloumi or hellim cheese as a protected designation of origin (PDO), according to Cyprus Mail's portal.

Measures involve improving productivity, increasing livestock, increasing the amount of goat and sheep milk and a series of horizontal measures such as adopting a farmers' registry, upgrading the sheep and goat registration system and improving the water balance with the use of recycled water in agriculture. A EUR 10 million investment will go towards creating new sheep and goat breeding farms while modernising existing ones as part of the rural development 2014–2020 programme.

ALBANIA

Government must control HPPs' impact on environment

August 1

Climate changes are affecting Albania, and higher temperatures are expected to cause drought, which will be followed by damages in the environment and economy, **making it difficult to produce renewable energy**, Top Channel said in a report.

Environmental experts say permits for hydropower plants, 499 in total as noted by the Agency of Natural Resources, without respecting the legal criteria, are hurting the natural ecosystem of rivers throughout the country, according to Emirjeta Adhami, specialist at the Institute for Nature Conservation in Albania (INCA).

The civil society applauded the government's decision to stop the construction of hydropower plants in protected areas, but asked the government to intervene with investors so that they respect all obligations and protect the environment, the article said. INCA is part of an initiative for a moratorium on issuing licenses for hydropower concessions in the territory of the country. The group consists of environmental civil society organizations.

Energy efficiency fund devised in new legislation

August 14

The Ministry of Energy and Industry has come up with **a draft Law on Energy Efficiency** which includes energy conservation guides for all electricity consumers, including public administration, big companies and citizens, Albanian Telegraphic Agency said. For the first time it foresees an efficiency fund.

According to sources from the ministry, the country has vowed to reduce energy consumption by 11% until 2020, making enhancement of energy efficiency priority. New rules will be applied in the public sector and big companies first, preventing excessive consumption ranging from banning household appliances which do not save energy to measures for construction. For old apartment buildings and houses, the ministry will set up an efficiency fund, which will support their reconstruction with up to 50%, the article published by AlbReporter portal said.

The government plans to invest EUR 500 million in energy sector until 2020, on the basis of energy recovery strategy, in a bid to liberalize the energy market and minimize losses in distribution network.

TURKEY

EBRD to promote innovative waste recycling projects

July 22



The European Bank for Reconstruction and Development said it launched a programme to finance investments aimed at minimising waste and increasing resource efficiency in the industry, agribusiness and municipal sectors. **The Near-Zero Waste initiative** is set to drive a profound transformation of waste management in a move to help Turkey advance towards a more competitive, resource-efficient circular economy, the bank said on its website.

It will finance waste recycling infrastructure, biomass and biogas facilities, technologies which reduce packaging waste, and use of alternative fuels in energy intensive industries. The programme is expected to fund up to 12 investments for up to USD 125 million (EUR 133.33) in total. Funds will be complemented by EUR 18.13 million from the Clean Technology Fund, a funding window of the Climate Investment Funds, providing financing to promote low carbon technologies and reduce greenhouse gas emissions.

The European Union is also supporting the programme with a €2 million grant through its Instrument for Pre-Accession Assistance (IPA) to provide technical advice to project developers to unlock the potential for waste minimisation, product life-cycle assessment and energy generation from waste.

The programme was inspired by a highly successful glass-recycling project developed by the EBRD with Şişecam, a leading Turkish glass producer and a long-standing client of the bank, the report said. Initially, with grant financing from the Government of Spain, the company placed thousands of bottle banks across Turkey and launched an awareness-raising campaign to encourage households to collect glass waste. As

the initiative proved successful, the EBRD extended a EUR 30 million loan to help Şişecam step up glass-collection capacity and finance the company's glass-recycling and energy efficiency investments.

Geothermal power generation launch set for 2017

July 27



Turcas Petrol AŞ, based in Istanbul, plans to invest UDS 65 million (EUR 58.84 million) in a geothermal project in Aydın province and **start generating power in 2017** as part of its joint long-term transformation strategy with Azerbaijan's Azalternativenerji to invest in renewables in both countries, the company's chief executive officer Batu Aksoy said. A recent statement released by Turcas Petrol through the Public Disclosure Platform (KAP) on July 21 said the company signed a goodwill agreement for three years with Azalternativenerji, which operates within Azerbaijan's State Agency on Alternative and Renewable Energy Sources (Saares), with the objective of cooperating and developing joint projects to invest in power plants that are based on solar and wind energy and geothermal resources in Turkey and Azerbaijan, Daily Sabah reported. "We had said that we will use our resources in projects that will provide value for our shareholders and allow us to diversify our electricity generation portfolio," the newspaper quoted Aksoy.

According to the company's website, Turcas is an integrated energy companies that operates in the fields of oil and energy, power investments, renewable energy, fuel retail and lubricants distribution, natural gas projects, power generation and trading. It has long-standing partnerships with Shell, E.ON and RWE. Turcas Renewable Energy Generation is developing geothermal power generation, with exploration licenses obtained in the provinces of Aydın, Denizli and Izmir. The company began drilling operations in Yöre village, Pamukören, Kuyucak, Aydın in the fourth quarter of 2012, and found energy sources. Turcas Renewable is looking for acquisition opportunities in feasible wind, solar and hydro energy projects.

Contracts for 10 hydroelectric plants in preparation

July 29



According to an announcement by the Privatization Administration (ÖİB), ten hydropower facilities owned by government-controlled Electricity Generation Company (Elektrik Üretim AŞ) are to be **sold in five groups**. The notice published in the Official Gazette on July 28 said that a sealed-bid auction is planned, Daily Sabah's portal said.

Karacaören 1 and Karacaören 2 form the first group, the second one is Kepez 2 and Manavgat, Fethiye is alone in the third lot, Kadıncık 1 and 2 are the fourth group, while the last section has Doğankent, Kürtün and Torul. Security deposits are TRY 25 million (EUR 7.91 million) for group one, EUR 6.33 million for the second lot, EUR 3.17 million for Fethiye, EUR 9.49 million for group number four, and EUR 15.82 million for the last one. Preliminary qualification and bid deadlines are October 27, October 14, October 5, November 10 and November 20, respectively.

The tender commission will hold negotiation sessions with bidders if necessary, the report said. The tender could be finalized as an open auction with the participation of bidders that have been negotiating – if the negotiations end unsatisfactorily, Daily Sabah said. The tender is only open to legal entities and joint venture groups; individuals and investment funds are allowed only as a member within a group of a legal person.

Oğuz Türkyılmaz, head of the Energy Commission of Turkey's Chamber of Mechanical Engineers, said rapid urbanization, utilization of dams for water supply and irrigation, and climate change **reduce the country's hydropower potential** from an estimated 170 TWh to an actual 140TWh per year, or from 50 GW to 42.4 GW of installed capacity as equivalent, Anadolu Agency's Energy News Terminal reported. He called for a revision and for cancellation of projects whose social costs are bigger than benefits.

IFC helps glass maker save energy in Turkey, Bulgaria

July 30



Long-term financing package is being provided to Trakya Cam Sanayii AŞ, Turkey's flat glass and solar glass manufacturer, and its subsidiary Trakya Glass Bulgaria EAD, International Finance Corporation said.

The aim of the USD 75 million (EUR 67.9 million) investment of the World Bank Group's member is to boost energy efficiency and help mitigate climate change, the press release said. IFC will lend EUR 36.22 million to the companies for its own account, mobilize EUR 18.11 million from its Managed Co-Lending Portfolio Program (MCP), which offers institutional investors the ability to passively participate in IFC's future senior loan portfolio, and arrange a syndicated loan facility of EUR 13.58 million.

The project will help **Trakya Cam revamp furnaces and waste heat recovery** in its plants in Mersin and Polatlı in Turkey, and in Trakya Bulgaria, which are expected to save up to EUR 10.14 million per year in direct energy and cut greenhouse gas emissions by over 60,000 tons. The Mersin and Bulgaria plants are expected to reduce their energy bills by around 15% as a result of the project.

IFC has a long-standing relationship with Trakya's parent company, the Şişecam Group, spanning over 40 years. At present, IFC holds equity in the group, and has outstanding loans to several Şişecam glass and chemicals companies in Turkey, Bulgaria, Georgia and Bosnia and Herzegovina, the press release said.

EBRD investing up to EUR 400 million in energy

August 3

The European Bank for Reconstruction and Development plans to increase its investments in Turkey, according to its country director Jean-Patrick Marquet, as reported by Invest in Turkey portal.

The bank will channel EUR 300 million to EUR 400 million into that market this year, including acquiring **stakes in Borsa Istanbul and renewable energy company Gama Enerji**. EBRD's lending and investments in Turkey are **expected to reach a record EUR 1.75 billion for the year**, in comparison to EUR 1.4 billion in 2014, Marquet was quoted by Bloomberg New Energy Finance. He added that the country's fundamentals for long-term growth were strong. EBRD reached an agreement to acquire 10% stakes in Borsa Istanbul last May and is said to be considering buying a USD 105 million (EUR 95.8 million) share in Gama Enerji AŞ. The latter company is 73% owned by Gama Holding AŞ and 27% by International Finance Corporation and IFC Global Infrastructure Fund.

Gama owns three wind farms, from 10 MW upwards, and three hydropower plants in Turkey, the biggest one being the 672 MW Birecik facility on the Euphrates river, where it has a minority share, and is currently building a new combined-cycle gas turbine power plant in Turkey with a capacity of 840 MW. The company also operates a water system in Jordan. EBRD's investment will **support the growth of operational capacity up to 2–2.5 MW** through new projects with a focus on renewable energy and gas-fired plants. The EBRD said it would also help with the preparations for a potential IPO.

The bank's Turkish portfolio primarily consists of renewable energy projects, including wind farms and geothermal plants. **EBRD has recently announced a EUR 180 million funding program** for Turkish renewable energy projects through Garanti Bank AŞ and Yapı ve Kredi Bankası AŞ.

New player enters photovoltaic project market

August 6

ET Solar Group, China-based solar panel maker, announced that its wholly-owned subsidiary ET Solutions AG of Germany founded ET Solutions Istanbul to make a long-term commitment to Turkish photovoltaic market. The company will provide engineering, procurement and construction (EPC) as well as operations & maintenance (O&M) services.

The company contracted the construction of its **first two projects, 1.1 MW each**, for an investor from Antalya. Both projects are expected to feed the grid at the end of September, ET Solar said. The Istanbul-based firm has also secured a two-year O&M contract. The company said it will give the investors a performance ratio guarantee.

Modules will be installed and the projects will be based on German engineering from the regional headquarters in Munich, Germany. They have been developed and secured partly in partnership with MEL Solar Energy Corp., a local company from Istanbul that ET Solutions has had a strategic partnership with since April 2014, the press release added.

German partnership plans solar power plants of 25 MW

August 7

Axitec GmbH and B&W Energy GmbH & Co. KG from Germany seek to jointly set up photovoltaic plants in Turkey with a total output of initially 25 MW. The plants are **due to be built by the end of the year**, Exitec said. B&W Energy and its Turkish joint venture B&W Enerji Türkiye in Kayseri act as general contractors. B&W Energy Türkiye has been active in the market since 2013, the press release said.

All plants will be equipped with Axitec's high-capacity solar modules AXIpower AC-260P/156-60S. "We are happy that B&W Energy chose the solar modules of Axitec for these important projects. This decision was basically made because of the service Axitec offers its customers in Turkey with the new branch in Istanbul," says Axitec's chief executive Steffen Wiedmann. Josef Busch, managing partner of B&W Energy, added that both companies would complement each other very well in the "quality-conscious and brand-conscious Turkish market".

Government auctioning 2 GW of wind power next year

August 12

Energy Market Regulatory Authority (EMRA) said it plans to expedite an auction next year for 2 GW of wind power. **The programme was originally due by 2020**. Turkey plans to raise wind electricity capacity to 20 GW by 2023, in comparison to little over 4 GW registered at the end of July, Bloomberg Business said in a report. The target is for 30% of all electricity needs to come from renewable energy sources, where 34 GW would be hydropower and 5 GW solar, with geothermal energy and biomass accounting for 1 GW each. Applications for preliminary licenses will be received by the regulator from October 3 to October 7, it said in the Official Gazette.

In late April, EMRA received 14 times more pre-license applications than its allocated capacity of 3 GW for wind power plants. Taner Yıldız, energy

minister and the authority's chief, earlier said Turkey will **add 4 GW to electricity production capacity this year**. He added 95 percent will be provided through local and renewable resources.

Oğuz Türkyılmaz, head of the Energy Commission of Turkey's Chamber of Mechanical Engineers, said the country's **wind power potential amounts to 47.8 GW of capacity**, in comparison to 12.59 GW in current licenses. Anadolu Agency's Energy News Terminal reported.

Phoenix Solar gets contract for 6.9 MW solar array

August 18

German photovoltaic system integrator Phoenix Solar AG said it will build a solar array of 6.9 MW in central Anatolia, in partnership with local company Asunim Yenilenebilir Enerji Teknolojileri, **SeeNews** reported. The firms were awarded the order by a Turkish consortium. **Its value was not given**.

The contract calls for Phoenix Solar to undertake all engineering and procurement tasks, while Asunim takes on the actual construction. The project will involve the installation of six panel systems in the surroundings of the city of Kayseri, using Yingli solar modules and Advanced Energy string inverters. Phoenix Solar said it expected construction work to start immediately and to be finalised by the end of the year.

German firm's chief executive Tim Ryan commented that the company seeks "to steadily grow its client base in the Near and Middle East."

First Turkish solar bus hits road on Bosphorus

August 20

Istanbul Electric Tram and Tunnel Company (IETT) introduced the country's first solar-powered bus, Anadolu Agency reported, according to **SeeNews**.

During a press conference on August 19, the company inaugurated the pilot vehicle and unveiled plans to launch several more. **Rooftops will be equipped with 15 solar panels** each, and the output will be used to support the batteries and electrical systems.

The project is aimed at lowering carbon dioxide emissions along with fuel consumption, IETT's environmental engineer Fatmanur Yılmaz was quoted as saying.

REGION/EU

Regional project uniting energy regulators

August 27

United States Agency for International Development (USAID) announced that it hosted energy regulators from Albania, Armenia, Bosnia and Herzegovina, Georgia, Kosovo, Macedonia, Serbia and Ukraine for the launch of a new programme to **support regional energy security and market transparency**. During the program (2015-16), they will be supported in the preparation of guidelines promoting best practices in the operation of retail electricity markets, Albanian Telegraphic Agency reported.

The programme also provides participants with a collaborative environment, where U. S. regulators are available to provide the benefits of their experiences in electricity market development, the article published by AlbReporter said.

Southeast European markets fare low in biofuel use

August 6

Biofuel consumption for transport picked up in the European Union after a year of uncertainty and decline, increasing by 6.1% over 2013, to 14 million tonnes of equivalent, according to EurObserv'ER 's first estimates. However it is still below its 2012 level when 14.5 million was incorporated. Consumption of biofuel that meets the European Renewable Energy

Directive's sustainability criteria rose to 12.5 million tonnes of oil equivalent, its highest level so far. Last year **the incorporation rate of biofuel in transport reached 4.9%**, the report said.

The bioethanol industry had a bad year, with profits plummeting because of a drop in the market price. Romania had a high beet yield for the past five seasons, as did France the Czech Republic, which resulted in an increase of ethanol production. EurObserv'ER kept the country ranked at number 14 in the EU by the use of biofuel in transport, but accounting for data from 2013, with 206.4 kilotonnes of oil equivalent, more than three quarters of which was biodiesel. Other markets covered by Balkan Green Energy News registered an almost exclusive use of biodiesel. Only Slovenia also has a share of bioethanol, just above one fifth.

“Only 23% of biofuel consumed in Greece was certified as sustainable.”

EU members in our region fared low in the consumption of biofuel, with the exception of Greece, ranked four notches lower than Romania with 133.4 kilotonnes. However, only 23% of it was certified as sustainable, while in the rest of Southeastern Europe and Cyprus the rate was almost 100%.

Cyprus marked little change in consumption of biofuels in transport last year. Bulgaria, on the other hand, had no registered use of bioethanol, in comparison to 8,000 tonnes of oil equivalent from the year before. It cut its overall consumption of biodiesel by almost half, as did Slovenia, to 53 and 23 thousand tonnes, respectively.

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UPCOMING EVENTS

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

September 29-30, 2015

3rd Regional Conference: Energy. Development. Democracy
Podgorica, Montenegro

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
Bucharest, Romania

December 1-3, 2015

GeoPower Global Congress
Istanbul, Turkey

April 5-7, 2016

South-East European Exhibition on Energy Efficiency and Renewable Energy
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