

BALKAN GREEN ENERGY NEWS

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Balkan
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NEWS

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INTERVIEW



Jelena Peruničić

Senior Manager,

German Development Cooperation (GIZ)
project **Climate Change Adaptation in
Western Balkans (CCAWB)**.

Balkan countries must manage floods, droughts together

There are cooperation and communication mechanisms missing between neighboring countries, in order to take into account the transboundary nature of flood and drought risk at operational level, says Jelena Peruničić, senior manager at the regional German Development Cooperation (GIZ) project Climate Change Adaptation in Western Balkans (CCAWB). There is much to be done at the local and national levels, too, but not all necessary measures need massive funding, she told Balkan Green Energy News. "For example, for flood management good spatial planning and strong community cooperation could be very effective measures. But of course, there are some crucial infrastructure measures which need investments. According to the Paris agreement from COP21 of the United Nations Framework Convention on Climate Change (UNFCCC), adaptation to climate change and strengthening ability of countries to deal with climate impacts will be emphasized in the next years. Developing countries will receive increased support for adaptation actions and the adequacy of this support will be assessed", Peruničić stated.

In the last three years, within the project of the German Development Cooperation (GIZ), commissioned by the German Ministry for Economic Cooperation and Development (BMZ), she has focused on flood issue and integration of adaptation to climate change in urban planning. Jelena Peruničić has more than 10 years of experience in international organisations in the field of environmental protection and management of natural resources.

What is the overall climate change strategy of GIZ and what activities are, in particular, related to Western Balkan region and Southeastern Europe?

Through its bilateral cooperation, the Federal Government of Germany is supporting the countries of South-East Europe in their alignment with the European Union and implementation of EU policy, economic and social standards. Climate change adaptation has been declared a priority by the EU and is to be integrated as a cross-cutting issue in all sectors. Also for German Development Cooperation, adaptation to climate change constitutes an important, strategic field of aid support.

The need for climate change adaptation is a very relevant subject for all states in the Western Balkans. Recent floods and droughts have underpinned the need of being prepared with respect to increased disasters. In all states the effects of climate change are on the political agenda which is in line with the EU's *acquis communautaire* and now the Paris COP21 agreement.

Since 2012 the GIZ – German Development Cooperation, on behalf of the German Ministry for Economic Cooperation and Development (BMZ), is implementing the Climate Change Adaptation in Western Balkans (CCAWB) project in cooperation with relevant Ministries in Albania, Kosovo*, Macedonia, Montenegro and Serbia. CCAWB has focused

on adaptation to the predicted impacts of climate change. Specifically, the project has aimed at reducing of flood and drought risks, adaptation in urban areas, as well as to strengthen regional cooperation in the field of integrated water resources management.

What are the results so far of the project Climate Change Adaption in the Western Balkans?

This was achieved in the first phase (2012–2015) of CCAWB:

- Establishment of a regional Flood Early Warning System for the Drin River Basin in the form of four national early warning systems in Macedonia, Kosovo, Albania and Montenegro;
- Support to the drafting of national climate change adaptation strategies for Albania and Macedonia;
- Support to the drafting of drought management plans for water companies in Kosovo and formulating flood risk management plans on community level in Albania and Montenegro;
- Support to cooperation in water resources management at the regional level; and
- Integration of climate change adaptation in large cities Belgrade, Podgorica and Tirana – in urban planning and development in particular.

Support from GIZ has been provided by means of capacity development, advisory services and the procurement of equipment.

What are the main challenges in each of the countries included in the project?

All these topics have required special expertise and had different partner organizations involved from the region, but also from Germany.

“ Flood risk management as one important element of water resources management in the Drin catchment is not possible without information sharing among the riparian countries. ”

One of the most important and most challenging topics was the establishment of hydrological measuring stations, data management and exchange, and the setup of the hydrological planning model in the frame of Flood Early Warning System for the Drin River Basin. This is still the most challenging topic in the terms of further development of the communication channels and exchange of the information between the neighboring countries, especially exchange in real time, and on the other side, maintaining of the established network of the hydrological measuring stations in all four countries. Very often stations are under the pressure of local vandalism and people who are damaging solar panels or roofs. We already had two cases of vandalism at the newly established network.

The project is to last until 2018. What activities remain for it to be completed?

From March 2016 the project will go in the follow-up phase till June 2018, focusing more on the area of flood risk management in the Drin river catchment area. Flood risk management as one important element of water resources management in the Drin catchment is not possible without information sharing among the riparian countries. Information needs to be collected, analyzed and shared among the riparian countries in order to use them for informed actions on local level. The project activities will be again shared on regional, national and local levels.

The project will be focused on three levels:

- It intends to improve the availability of hydrometeorological data in the riparian countries and to improve the application of available data for flood forecasting. Further attention shall be given to the support of the hydromet services of the four riparian countries in order to increase sustainability.
- It focuses on the improvement of information exchange to attain better knowledge about the Drin catchment for all riparian countries, and a more formalised cooperation in the medium term.
- It strengthens the ability of actors that are responsible for flood risk management and in case of flood disasters at local level.

What are the main points from the project's assessments of vulnerability for the region and particular countries?

Climate change will lead to increased flood and drought risks in the Drin basin. According to the National Communications (UNFCCC), an increase in annual average temperatures is expected (e. g. up to 5.6 °C in Albania) with falling precipitation in the annual average (e. g. reduction of 5% until 2050 in Macedonia). This leads to milder winters with decreasing number of frost days, to warmer and drier spring and extended dry periods and long periods of high temperatures (over 35 °C) during the summer months. In addition, the increase in urban areas could be up to 10 °C higher compared to the undeveloped countryside. A decrease in total annual rainfall is expected, increasing the probability of high intensity rainfall and extreme weather incidents (e. g. severe storms), which increases considerably the flood risk, soil erosion and hazardous pollution of the waters.

“ The serious situations during the flood events in 2010 emphasized the need to establish an integrated early warning system for the whole Drin/Drim – Buna/Bojana Basin with special focus on the lower part.

When we are thinking about the management of flood risk and newest solutions we cannot skip or substitute effective urban planning and strong community engagement. ”

At the local level there was lack of planning for management of flood risk and there were no concepts for the management of drought risk. At the national level there is no consideration of the legal, regulatory framework of the climate change on the one hand and partly in planning of water resource management. At the regional level, especially cooperation and communication mechanisms are missing between the neighboring countries, in order to take into account the transboundary nature of flood and drought risk at operational level. In addition, available data are not enough for the specific regional modeling of climate change and its impacts on water resources in the Drin basin.

How does the early warning system for floods in the Drin basin work and what were the steps to establish it?

In the coming years climate change is predicted to increase both the frequency and intensity of flooding and droughts in the region. The serious situations during the flood events in 2010 emphasized the need to establish an integrated early warning system for the whole Drin/Drim – Buna/Bojana Basin with special focus on the lower part.

The project supports the establishment of the flood early warning system in the following steps:

- Assessing gaps and needs to establish flood early warning system
- Design, procurement and installation of hydrological and meteorological stations and IT set-up for real-time data
- Organizing measuring campaigns
- Building up the hydrological model
- Organizing regional data exchange and cooperation

In total, 33 water level and rainfall stations in the Drin river basin are rehabilitated and upgraded. Real time information for issuing flood warnings is now available in the four countries of the area and approximately 300.000 potentially flood affected people can be warned in advance. For the first time, a hydrological model covering the whole basin has been developed and will be operated very soon.

The project included work of many scientists. Who was involved?

A lot of assessment and deliverables have been done during the project, like drought plans, the participatory development of flood risk management plans, the gap analysis of hydrological information and the hydrological planning model for the Drin Basin were of particular importance for the project partners in the Western Balkans. A lot of local expertise was involved but also GIZ provided consultants from Germany.

What are the challenges in flood protection in urban areas and what are the newest solutions?

The main challenges in the most of urban areas in the region are inadequate urban planning and illegal building which caused a lot of channels and small rivers to be blocked. Disposal of solid and working waste material in riverbeds makes the problem worse. Due to huge precipitation in very short period of time and inadequate maintained channels we have flash floods in the urban areas. When we are thinking about the management of flood risk and newest solutions we cannot skip or substitute effective urban planning and strong community engagement.

The correction in urban planning could be done by strict implementation of the flood risk management plans which have listed infrastructural protecting measures. There is also the need to build strong social infrastructure which includes disaster planning, capacity-building and training that can help communities mobilize in the event of disasters.

“ People should be aware about the need to be prepared, informed and ready to act, not wait for the government or rescue system to help you in the case of extreme weather events. ”

One new developed mechanism with the aim to help cities to increase urban resilience, to share experiences, expertise and knowledge about how to reduce vulnerability and accelerate recovery is Mayors Adapt – the Covenant of Mayors Initiative on Climate Change Adaptation has been set up by the European Commission to engage cities in taking action to adapt to climate change. Cities should develop a comprehensive local adaptation strategy or integrating adaptation to climate change into relevant existing plans. Three cities that we have worked with – Podgorica, Belgrade and Tirana, are in the process to sign the covenant and start implementing the action plans for adaptation to climate change developed through the CCAWB project.

Who were GIZ's most important partners? Are there examples of new cooperation established between institutions across borders during the project?

The regional Flood Early Warning System for the Drin River Basin was and will be the main component of the project and in line with this, hydrometeorological services from four countries where and are the most important partners. The improved communications in the field of data exchange in the Drin river catchment has been an important impact of the project, which would not have been possible without the important mediating function of GIZ, but also the readiness of the institutes to provide the data and to cooperate.

Although the signing of the Memorandum of Cooperation and Exchange of Data between the countries is expected for March, the institutes already have established a daily exchange of data in the basin and react in the case of an increase in water level in the Drin and Lake Skadar Watershed. Compared with the situation in 2010 when there was not any cross-border exchange of information, this can be considered as a significant success.

Is there progress in climate change awareness?

In the Balkan countries I would say yes, especially when people are facing extreme weather events such as floods, droughts, heat waves or huge precipitation. People start to think about it. There is still a need to do a lot of more in sense of education, how to act at the local level, in our daily life. People should be aware about the need to be prepared, informed and ready to act, not wait for the government or rescue system to help you in the case of extreme weather events.

The CCAWB project intends to help raising awareness about climate change in the region in a different filed: supporting celebration of the Drin Day in the Drin river catchment area in all four countries, supporting local non-governmental organizations to develop events with local people with the aim to raise awareness about the sustainable use of rivers; supporting educative brochures about flood risk management in the region of Skadar lake and Bojana/Buna river for people from both side of the border in Albania and Montenegro; in 2013 we supported the Heat Wave Campaign in Podgorica and Air Quality Campaign in Tirana; currently we are supporting **the climate change awareness campaign in the city of Belgrade** with the accent on adaptation in urban area.



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Is leasing of wind turbines feasible in Serbia?

This article deals with one of the hot topics in renewables in Serbia, namely the legal treatment of leasing arrangements, contemplated by a notable number of financial players on the Serbian market for the purposes of potential financing of renewable energy projects.

At present, a number of financial institutions on the market is contemplating entering wind farm projects as lessors providing wind turbines (and, possibly, other equipment) to renewable project companies as lessees, thus enabling the project companies to complete the construction of a wind farm by, inter alia, installing the wind turbines (and other equipment) so leased from the financial institution.

In particular, the question that is commonly raised on the market in the mentioned context is whether the proposed business transactions are to be treated as equipment leasing or rather as real estate leasing, depending on the equipment that is financed.

Let us state at the beginning that Serbian law does not appear to provide for an explicit answer to the subject matter above and, as a result, both interpretations are generally arguable. That is, that the proposed leasing arrangement within the context of the renewable project may be treated as a real estate leasing and that the proposed leasing arrangement may be treated as a leasing of equipment, whereas both interpretations seem to raise substantive ambiguities. However, after having thoroughly analysed the relevant matter, we are of the view that the legal treatment of the proposed transaction as the real estate leasing would apparently be more grounded in the Serbian law, involving thus relatively fewer risks and potentially being practically operable, as opposed to equipment leasing treatment.

General considerations

Prior to going into more details as to legal treatment of the relevant leasing arrangements, we find it necessary to briefly elaborate on certain general concepts of the Serbian law being of relevance thereof.

(a) Notion of “structure”

In Serbian law, a “structure” (in Serbian: “objekat”) is defined as such a structure (facility, building) that is “connected to the ground and represents a physical, functional, techno-technological or biotechnological entirety (buildings of all kinds, traffic, waterpower and energy structures, infrastructure facilities of electronic communications...)” – Article 2 Paragraph 1 Point 22 of the Law on Planning and Construction (the Construction Law).

Moreover, the Construction Law stipulates that the Serbian Ministry of Construction, Traffic and Infrastructure is in charge of the issuance of construction permits for certain specific structures, including, inter alia, “structures for production of energy from renewable energy resources.”

Having these statutory provisions in mind, it follows that the wind power structures (including wind farms) are considered to be “structures” from the standpoint of Serbian law, i. e. separate real estate units connected to the ground for which the construction and occupancy permits are issued and the titles on which are subject to registration with the land registry.

(b) Notion of mandatory co-ownership over “coupled things”

The Serbian law provides that “if the things [movable or immovable] which are owned by different owners are connected or coupled so as that they cannot any longer be separated without a significant damage or without disproportional costs, on the new thing thus formed there shall be a co-ownership right established in favour of previous owners, and that in proportion to the value of individual things at the moment of such connection or coupling” – (Article 23 Paragraph 1 of the Law on Basic Proprietary Relations).

The very legal institute of co-ownership in the Serbian law essentially implies that two or more entities are co-owners of the same item (thing, title), whereby their relevant shares ratio thereto is “ideal” (in Serbian: “idealni udeo”), i. e. presented in certain percentage as to the entirety of the relevant item (e. g. 30% of the entirety of ownership over a plant is co-owned by one entity whilst the remaining 70% is co-owned by another entity).

If the relevant co-ownership shares of the respective co-owners are not determined, it shall be deemed that they are equal. As a matter of principle, the co-owners of the thing have the right to jointly manage the thing as well as to freely dispose with their respective co-ownership shares, subject to pre-emptive rights of the remaining co-owners.

(c) General features of the leasing transaction

The Law on Financial Leasing defines the leasing transaction as the arrangement/transaction involving such “financial intermediation performed by the lessor which implies that the lessor, retaining its ownership right over the subject of leasing, transfers to the lessee, for a certain time period, the entitlement to hold and use the object of leasing, with all the risks and all the benefits associated with the ownership title, whilst, in return, the lessee is obliged to pay a leasing fee to the lessor” (Article 2 Paragraph 1 of the said law). The Law on Financial Leasing further differentiates between various modalities of the leasing transaction, including the transfer of ownership over the object of leasing to a lessee or an option for a lessee to acquire the ownership thereto, in all cases only after the total pre-agreed amount of the leasing fee is duly paid by a lessee to a lessor.

It thus follows from the above that at the time of entering into a leasing agreement and up to the lessee’s payment of the total pre-agreed amount of the leasing fee, the lessor remains to be the owner of the object of leasing.

The Law on Financial Leasing further provides that the object of financial leasing may both be “a movable durable thing (equipment, machinery, vehicles) and an immovable thing that may be subject of ownership rights according to the applicable proprietary laws.” In that respect, although the Law on Financial Leasing does not contain an explicit provision thereof, it may firmly be argued that, as a matter of principle, any movable (durable) thing or immovable thing that may be subject of ownership principally qualifies to be the object of leasing, including those subjected to the co-ownership regime (being a modality of the general ownership regime).

Arguments for real estate leasing treatment

Having all the general considerations above in mind as well as the principal structure of the contemplated renewable projects, the question therefore arises whether the leasing of wind turbines (and possibly other equipment) by a financial institution as a lessor to a project company as a lessee would be considered as equipment leasing or as real estate leasing. This question arises precisely because of the fact that at the time of entering into a relevant leasing agreement the object of leasing will be a movable thing whilst throughout the relevant project the wind turbines (and possibly other equipment) are to be installed on the relevant site and therefore potentially represent an immovable thing.

Although, as stated, Serbian law does not provide for a clear answer to the question above, we are of the view that the relevant leasing arrangement should be considered as ultimately resulting in the real estate leasing, and that for the following principal reasons:

(a) Wind power facility is a structure and therefore an immovable thing

For the reasons stated above, the wind power facility may with a great amount of certainty be qualified as a “structure,” i. e. the real estate, immovable thing that is subject to issuance of the construction and occupancy permits and registration with the relevant land registry (still, we note that in some other European jurisdictions, for example in Germany, there is currently a great discussion ongoing amongst practitioners and relevant stakeholders whether wind power facilities should be treated as movable or immovable things; apparently, the laws of such countries raise ambiguities in that respect whilst the titles on such facilities are not the subject of registration with the relevant land registries).

However, whilst in no doubt under the Serbian law such structures are subjected to issuance of the requisite real estate permits (e. g. a construction permit, an occupancy permit), the practice of registration of such structures with the land registries is currently – to the best of our knowledge – either completely non-existing or extremely scarce in Serbia. In that respect, the relevant Law on State Survey and Cadastre does not contain any provisions specifically relating to the wind power structures but merely provides that titles to “structures” and other real estate units are to be the subject of registration therewith.

(b) Moment of structure’s formation and acquisition of titles thereto

Subject to qualifications above, the wind power structure should (ultimately) be treated as an immovable thing and from the viewpoint of the proposed leasing transaction it would therefore be essential to determine the exact moment when the respective structure becomes the immovable thing within the context of the project:

- having in mind the considerations outlined above, it would have followed that at the time when the relevant wind power structure is (fully) assembled thus implying the previous coupling of the wind turbines (and possibly other equipment) that are financial institution’s “thing” leased to a project company but still in the ownership of a financial institution (at least until the payment of the pre-agreed leasing fees by a project company) with other relevant project company’s “things” (ground structures, machineries, cables, switches, racks, etc.), the “newly formed thing” (i. e. the assembled wind power structure) is to be considered a “structure” thereafter and principally to become the subject of co-ownership of both a financial institution and a project company, with their co-ownership shares being pro rata to the values of their respective “things” prior to coupling;

yet,

- under general Serbian rules on (derivative) acquisition of ownership titles over real estate, such titles are considered fully acquired only following the registration of the relevant real estate with the land registry. Had this principal requirement been applicable to the case at hand, it could have been potentially argued that despite the rules mentioned in the previous paragraph the valid acquisition of the relevant co-ownership titles of a project company and a financial institution may be deemed to have occurred only after their registration with the land registry has been duly completed;

on the other hand,

- it may firmly be argued that the relevant coupling essentially represents an original (in Serbian: “origineran”) modality of the acquisition of ownership and that, therefore, the registration of the relevant co-ownership shares of a project company and a financial institution would primarily be needed for the purposes of claiming/proving the said (co) ownership title to third parties;

however, from the practical perspective:

- even regardless of the aforesaid ambiguities as to the moment/acquisition of ownership, from the viewpoint of a financial institution and the pertaining risks, it is certainly recommendable that the entire arrangement is structured so as to stipulate that the co-ownership over the relevant real estate unit shall be deemed to have occurred as at the moment when the relevant coupling is completed, irrespectively from the subsequent registration of the wind-power structure and the titles thereon with the relevant land registry, and that essentially to avoid the risk of a project company registering its sole titles thereof by simply submitting the relevant construction and occupancy permit (once issued) to the land registry.

Summing up on this topic, the relevant real estate unit may be considered to be formed once the previously mentioned coupling has been done, irrespectively of the subsequent registration of the titles thereto with the land registry. This

further means that certain practical considerations would have to be examined for the purpose of optimizing the relevant renewable projects from the legal perspective:

(c) Important practical considerations

Firstly, a financial institution has to secure that the relevant leasing agreement principally reflects/address the considerations above. This is to say that as at the moment of entering into the leasing agreement and up to the moment of coupling of the wind power structure the object of lease would still be considered to be a movable thing whereas, after the coupling has been completed, the resulting structure would represent an immovable thing over which the financial institution would have a co-ownership share (together with a project company). As shown above, the leasing arrangement principally requires that the lessor remains the owner of the object of lease (at least until the moment when the pre-agreed leasing fee is duly paid by the lessee). It thus follows that the leasing agreement would have to take this requirement into account and therefore to expressly stipulate that the lessor shall remain the owner of the (movable) object of leasing until the moment of coupling and thereafter it shall be the (co)owner of the object of lease, and that in a certain percentage essentially equalling the relevant proportion as to the value of object of leasing prior to coupling.

Secondly, it would surely be recommendable that a financial institution and a project company also enter into a separate co-ownership agreement (preferably, simultaneously with entering into the very leasing agreement), in which their respective co-ownership shares would be regulated in detail and in which the obligations of the parties relating to the subsequent registration of the relevant wind power structure with the land registry would be set.

Thirdly, as a results of all the ambiguities above and the general absence of the relevant practice in this kind of arrangements on the Serbian market, it would be essential that the full feasibility of this entire scenario is pre-verified (even on an anonymous basis) with the competent land registry (and possibly also with other authorities, e. g. the National Bank of Serbia) prior to entering into any of the two aforesaid agreements. If it eventually appears that the land registry (and possibly other authorities) show their understanding of the proposed transactional steps and are generally willing to enable the full implementation of this scenario, the following should be submitted to the relevant land registry:

- all the relevant permits (construction and occupancy permit);
- the leasing agreement;
- the co-ownership agreement;
- other standard land registry's forms and statutory documentation.

Finally, it is worthwhile noting that from the viewpoint of securing the position of a financial institution as (partial) financier of the relevant renewables project, the potential establishment of a mortgage should also be tailored to the pertinent scenario. In particular:

- the mortgage may be established in favour of a financial institution over the "structure undergoing construction." Such a mortgage may generally be established under the Serbian law on the structures that are still under construction whereas the mortgage is technically registered over the land on which the structure is being constructed. Once the relevant structure is duly registered in the land registry, the mortgage is then generally to be re-registered over the relevant structure – however, considering that a financial institution in this scenario would have become the co-owner of the relevant real estate and that one may not be a mortgage creditor in respect to the very property it owns, there would be a legal confusion (in Serbian: "konfuzija") of the part of the mortgage relating to the relevant financial institution's co-ownership share. This would further mean that the financial institution's mortgage could be re-registered only over the project company's co-ownership share following the structure's registration with the land registry. As well, in the case of enforcement of financial institution's mortgage over project company's co-ownership share, a financial institution would be having a statutory pre-emptive right regarding this share as it would be the co-owner of the remaining share in the property;
- in addition, a financial institution may of course also establish a mortgage over land parcel(s) underlying the wind structures as a collateral for the project's financing, and that obviously assuming that a project company has duly registered its ownership thereon.

- with respect to the cables (20 kV cables, or other) that are potentially owned by a project company, it should be noted that a financial institution apparently may not be able to establish a mortgage thereon, and that as a result of the fact that the relevant Cadastre of Lines has not yet become operational in Serbia.

Arguments for equipment leasing treatment

On the other hand, one may try to argue that the proposed arrangement might potentially qualify as the leasing of equipment, essentially on the basis of assertion that at the moment of entering into the relevant leasing agreement the relevant things represent movables under Serbian law.

However, the main problem with this scenario is consisted in the fact that a financial institution could hardly be deemed to be/remain the owner of the object of leasing (wind turbines and possibly other equipment) following their coupling with the remaining “things” owned by a project company.

This is essentially because of the fact that after the said coupling (i) the resulting facility is to be deemed a “structure,” i. e. a real estate unit under Serbian law; (ii) the statutory co-ownership regime shall be considered established under the very law; and (iii) as a result of (i) and (ii), it would be very problematic to validly assert that a financial institution did remain to be the owner of the object of lease, which is essential requirement under the Law on Financial Leasing (as explained above).

In other words, in this scenario a financial institution would be facing a kind of “hybrid” legal concept in which it would seek to claim the existence of the ownership title over the movable object of leasing that had become a part of immovable structure meanwhile and therefore subjected to co-ownership regime. On the other hand, the overall position of a financial institution towards a project company would be significantly weaker because of the problems mentioned above. For instance, a project company could subsequently request the registration of its ownership title over the relevant structure based solely on the construction and occupancy permit (without submitting to the land registry the leasing agreement and/or other documents evidencing that the co-ownership regime should be established). Also, since the relevant co-ownership regime is, as stated above, not sufficiently tested in the Serbian practice, it might even happen that the relevant officials of the land registry simply fail to notice all the legal implications relating to existence of the statutory co-ownership. This is exactly why in the first scenario this should be thoroughly explained to the relevant authorities.

As a result of the above, the only setting in which the proposed leasing arrangement would have potentially been feasible would apparently be the one in which the resulting wind power facility would not be considered to be a “structure” but rather a movable thing composed of parts on which different entities may preserve their respective ownership titles. However – for all the reasons stated above – such an interpretation would apparently be in contravention with the statutory rules of the Serbian law.

Conclusion

In conclusion, neither of the scenarios elaborated above is entirely free from considerable legal risks. Yet, the real estate leasing scenario contemplated above might ultimately appear entirely operable, provided always that (i) from the technical and factual perspective it falls under the aforementioned requirement regarding the “coupling of things” (on the assumption that the relevant parts of the resulting structure “cannot any longer be separated without a significant damage or without disproportional costs”) and, equally important, that (ii) it has been re-confirmed by the relevant authorities prior to any implementation.

On the other hand, the financial leasing scenario seems to lack the required level of legal firmness and, as a result, involves significant legal risks for a financial institution.

PROJECTS



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Innovations in planning for urban resilience and sustainability: Blue Green Dream's integrated interactions

Introduction

This presentation introduces the innovative urban planning method developed by **the Blue Green Dream (BGD) project**, funded by the EIT (European Institute of Innovation and Technology) through its Climate_KiC program in the period 2012–2015. The project is aimed at achieving high levels of sustainability and resilience to the negative impacts of climate change and extreme weather events, equally applicable to new build and retrofitting areas. The Blue Green Dream approach entails harnessing the interactions between urban water infrastructure, urban green spaces and other urban ecosystems and functions to yield sustainable, resilient city systems that move from centralised water, energy and waste utilities to decentralised but integrated systems.

About the “masterminder”

The project is conceptualised – conceived, fundraised and brought to successful conclusion of the development phase by professor Čedo Maksimović, PhD Dipl. Civ.Eng. After having worked at the Faculty of Civil Engineering in Belgrade for more than 20 years, from 1996 he works at the Imperial College London where he heads the UWRG – Urban Water Research Group. During the past four years he initiated two major projects: **RainGain** and **Blue Green Dream**, dealing with interactions of urban water systems and urban vegetated areas which develops new paradigm for planning and redevelopment of smart, sustainable, natural hazard resilient cities with enhanced urban ecosystem services.

He is the editor-in-chief of the international **Urban Water** journal and of the **Urban Water Book** series. He also served as a chief advisor to Unesco International Hydrological Programme (IHPVI) on Integrated Urban Water Management. He published over 420 papers in journals and events and authored and edited 42 books. At the Imperial College London he supervised 16 PhD and 108 MSc theses.

What is BGD?

By interlinking urban water infrastructure (blue) and urban vegetated areas (green infrastructure) systems, resource efficient, multifunctional Blue Green Solutions for supporting urban adaptation to climate change are produced. The benefits of Blue Green Solutions include resilience to droughts and floods; reduction of water, air and noise pollution; mitigation of the urban heat island effect; increase of liveability, amenity, human health and wellbeing; reduction of

operational costs (lower energy and water bills); enhancement of biodiversity and urban agriculture; improvement of governance and reduction of socio-economic problems. Key to BGD concept is the replacement of conventional, linear urban resource flows (figure 1a) with the BGD-based, circular resource flow model, with localised recycling and generation of “new resources” (figure 1b). The EUR 3.1 million BGD project features a range of academic and industry and commercial partners, who are developing the science and tools for realising and maximising the full range of benefits provided by BG Solutions, whether integrated into new developments or retrofitted to existing cities. The crucial innovations of the BGD are the modelling of interactions, quantification and optimisation of urban ecosystem ecosystem interactions and their application in innovative urban planning of new development and retrofitting of the existing ones.

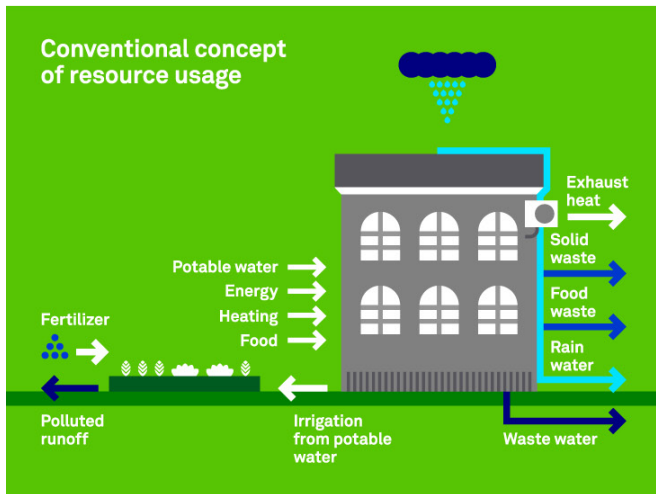


Fig. 1a Conventional horizontal flow of resources



Fig. 1b BGD approach – for reduced impact of climate change

Why BGD?

Current “wisdom” of planning new developments and retrofitting existing ones is usually piecemeal (more often than not, solving one problem and creating several others), does not address a variety of interactions (technical, natural, socio-economical) and thus fails to address key challenges of future cities. Furthermore, the traditional perception of nature and environmental protection (specifically within the urban fabric) which often comprises of costly projects of unquantifiable and uncertain outcome is challenged by BGD project. Instead of protecting nature, in our innovative paradigm nature is “engaged” to protect and create more livable conditions for the urban population, enhancing its metabolism, and creating a win-win scenario for both the city and nature.

Are environmental solutions more costly? On the contrary.

Sustainable, environmentally friendly solutions based on BGD paradigm do not add significant additional costs on top of the conventional design. Blue Green Solutions are innovative proven strategies that significantly lower whole-life costs. Corporations which adopt Blue Green’s sustainability corporate strategy can benefit from significant cost savings at retrofitting and in running, hence with new revenue generation.

Major activities projects (new development and retrofitting)

- Existing situation at the development location – systematic assessment of criteria and parameters relevant to BG Solutions;
- Definition of strategy goals, development of goal-driven implementation matrix to define targets, indicators and required analysis;
- Potential capital and running costs derived from urban components interactions;
- Assessment of possible interactions between urban components and ecosystem services;
- Blue green optimisation analysis;

f. Project resilience to weather extremes;

g. Implementation of innovative BG Solutions at master planning, conceptual and final design in collaboration with the local consultancy companies;

Some possible deliverables for the new projects and retrofits or revitalisations

a. Development strategy (for central and local governments, cities, development and corporations) based on innovative Blue Green Solutions for sustainability and climate change resilience.

b. Optimised master plan conceptual solutions based on integrated life cycle analysis

c. Detailed master plan and BGD-based design guidelines

d. Capacity building

e. Innovative certifications

Track record (success stories):

Blue Green Global Ltd in partnership with EnPlus company is proud to continue working in the areas in which Blue Green Dream Team and collaborating local project partners have demonstrated advantages and benefits from implanting BG Solutions:

- Enabling – environmental impact and sustainability studies for the Porto Montenegro project
- Retrofitting of the World Bank Building, Paris, France
- Innovative – BG Solutions based Planning Methodology and Tools for Multifunctional Flood Risk Reduction and Management (United Nations Development Programme's project)
- Marlow Road, Residential Area, London Project Upgrade by BGD paradigm
- Innovative Master Plan for the Borongaj University Campus in Zagreb, Croatia
- Residential area Holland Plain, Singapore
- Energy Audit and Upgrade Strategy, Siemens Industrial Plant, Germany
- Energy Efficient and Sustainable Solutions for Winter Sport Centre (the Republic of Srpska, Bosnia and Herzegovina)

Business Green Technology Award 2015

On November 2 in London, Blue Green Dream Team lead by prof. Čedo Maksimović won the Business Green Technology Award in the category Research and Development Programme of the Year 2015. The award is a recognition of the achievements in development of the innovations in planning of the future cities for resilience to climate changes and extreme weather.



International BG network

International network of regional and national collaborating partners and organisations is under creation is expanding. The Regional network of BG national focal points and collaborating entities for Central and South East Europe (CSEE) is **coordinated by Mikser** and **EnPlus**.

How to collaborate, contribute and benefit?

Regardless whether you are working for governmental organisation (strategic planning for example), local government (city) planning, utility consulting company (big one or one man band), if you are big corporation or group or a small or medium-sized enterprise, philanthropic organisation or non-governmental organisation, there are numerous ways to collaborate (work together), contribute (in knowledge, in kind or otherwise) and make significant benefit by associating yourself with BG paradigm and international community. **Visit BGD's site** or **contact prof. Čedo Maksimović**.



Professor Čedo Maksimović, PhD heads the UWRG - Urban Water Research Group at the Imperial College London. His major project is **Blue Green Dream** dealing with interactions of urban water systems and urban vegetated areas which develops new paradigm for planning and re-development of smart, sustainable, natural hazard resilient cities with enhanced urban ecosystem services.

He is the Editor-in-Chief of the **international URBAN WATER journal** and of the **Urban Water Book series**. He also served as a chief advisor to UNESCO International Hydrological Programme VI on Integrated Urban Water Management. He published over 390 papers in journals and events and authored and edited 42 books.

SERBIA

Greentech launches polyethylene recycling plant

December 25



With the completion of the facility for hot-washing PET flakes, and the lines for waste water treatment and polyethylene recycling, Greentech d. o. o. launched **the factory worth EUR 5 million** in Mladenovo near Bačka Palanka. The project in Serbia's northwest started in 2013 and it employs 130 people.

Stana Božović, state secretary in the Ministry of Agriculture and Environmental Protection, said that the decree on the plan of reduction of packaging for enabled the recycling of a third of the overall 330,000 tonnes from 2014. She said the new law on waste management is being drawn up.

Greentech's chief Mihail Mateski said the company recycled 55,000 tonnes of PET bottles in ten years of operations, decreasing landfills by 2.75 million cubic metres, with 82,500 tonnes less carbon emissions. The launch of the factory coincided with the jubilee. The output in 2014 was 1,800 tonnes of PET bottles, the company's data show.

Call for waste management concession renewed

December 29

Bidders have 37 days to send propositions **in the prequalification phase** for the concession for Regional Centre for Waste Management Keleš with an energy plant in Serbia's south. The 25 year contract will include construction and operation and the method of processing and gathering for the city of Niš and seven surrounding municipalities. Regional development agency Jug manages the project and 70 hectares in Kereš location in Doljevac municipality was provided,

while the eight local self-governments agreed on the minimum amount of waste they are obliged to deliver to the future partner company, 82,000 tonnes per year altogether.

Last year's process for selecting a concessionaire was annulled after there was only one, uncomplete offer, from consortium Urbaser SA – Danhos Ltd. A prequalification phase was added to the new public call. Deadline for submission of notifications and the decision on the recognition of qualifications to the bidders is 20 days from the deadline for submission of applications. The deadline for making a decision on the best bid is 60 days from the deadline for submission of the bids.

EPS becomes joint stock company by July

January 3



Electric Power Industry of Serbia (EPS) will become a joint stock company by July 1 to demonstrate to citizens that it is operating under conditions dictated by the market, its chief executive Aleksandar Obradović told the company magazine.

The transformation is an obligation from the state's agreements with the International Monetary Fund and the transition from the status of a public enterprise must demonstrate there is no more room for the company to rely on the government, he was quoted by EPS energija. Net income and efficient operations will be the gauge of success for the state-owned company, Obradović said. The complex has proved to have gone the farthest in reforms and it was the first to start acting on them, he stressed.

The completion of the transition to a joint stock company has the support of the Ministry of Mining

and Energy and other ministries, as well as the Government of Serbia overall, Obradović said.

Crédit Agricole finances energy efficiency in agriculture

January 14



A line of long-term loans was launched by Crédit Agricole banka Srbija a. d. for investment in projects of energy efficiency and renewable sources in agricultural production. They are denominated in euros and are approved for up to 60 months with an optional grace period of a maximum of 12 months. The bank said the loans are worth more than EUR 5,000 and the participation is up to 20%.

The credit line is designed for the purchase of energy efficient equipment and agricultural tools which apply improved systems for processing **to reduce energy consumption in field work**. Heating, cooling and irrigation systems are included. Financing can be used for materials, pumps with electronic regulation, solar panels and heat pumps.

The loans can be used by registered farms, cooperatives and enterprises and entrepreneurs which generate more than 50% of income from agricultural production. The line is launched in cooperation with the Guarantee Fund of Vojvodina, which secures the guarantee, the bank said.

SEEPEX to launch Serbian day-ahead electricity market

January 18

The South East European Power Exchange (SEEPEX) and its partners announced the launch of the Serbian day-ahead market for February 17, subject to member readiness. Member tests have been conducted and regulatory issues were about to be cleared. The aim is a power trading solution for Southeastern Europe. SEEPEX said it will foster the development

of a competitive, transparent and reliable electricity market, boosting electricity trading in the entire region. The day-ahead market is **the backbone of an efficient power system**, says Miloš Mladenović, its managing director, and adds this is the first offer of a fully-fledged integrated trading and clearing solution in the region, compatible with the European coupling initiatives from the start.

SEEPEX is a joint venture of the Serbian transmission system operator Elektromreža Srbije (EMS) and the European Power Exchange EPEX Spot. **Operations will rely on the trading system ETS**, used by EPEX Spot for operating its own markets in Central-Western Europe. Clearing and settlement will be performed by European Commodity Clearing (ECC). This also allows for an efficient and fast adherence to existing market coupling initiatives such as the 4M Market Coupling or the Multi-Regional Coupling, already covering 85% of European electricity consumption, the press release said.

SEEPEX a. d. Beograd is a licensed market operator for an organized electricity market - power exchange established in the form of partnership between JP EMS and EPEX Spot as a joint stock company. EMS is a public company fully owned by the state, established under Serbian law in 2005. EPEX Spot SE and its affiliates operate organised short-term electricity markets for Germany, France, United Kingdom, the Netherlands, Belgium, Austria, Switzerland and Luxembourg; markets representing 50% of European electricity consumption the statement adds.

Zumtobel donates efficient lighting to Belgrade, Niš

January 19

LED street lights and a smart operating system will be given by an Austrian company to Serbian municipal authorities, according to an announcement at an event in the Chamber of Commerce and Industry of Serbia. Zumtobel Group AG's donation will be **sufficient for two streets**.

“The plan is that the company's experts find the most suitable locations in cooperation with the city officials, so that one street in both Belgrade and Niš can get efficient lighting within a month.”

“With the decision to give modern equipment for the improvement of transport in the city streets of Belgrade and Niš, Zumtobel Group confirmed the intention to expand operations in Serbia and the region

of Southeastern Europe and remain on this market in the long term. This is another proof of the developing economic cooperation of Austria and Serbia," said Marko Čadež, the chamber's president, in discussion with the representatives of the firm. The plan is that the company's experts find the most suitable locations in cooperation with the city officials, so that one street in both Belgrade and Niš can get efficient lighting within a month. Zumtobel, based in Dornbirn and listed on the Vienna Stock Exchange, has 7,234 employees and production facilities in four continents.

Waste-to-energy project presented in Prokuplje

January 19

The association of entrepreneurs, employers and craftspeople of Toplica region in Serbia's south organized a presentation of electricity generation from waste incineration. In cooperation with the Toplica District and the Municipality of Prokuplje, it brought experts from Slovakian development assistance project to speak about how to use municipal solid waste in the best way. The event was also attended by representatives of municipal inspections of Prokuplje and nearby towns of Blace, Žitorađa and Kuršumljia.

In the past several years, countries of the European Union process municipal waste and partly use it for electricity generation, the guests said. This way many problems were solved, the environment is protected, **jobs are created and resources are saved**, they added and recommended to Serbian municipal authorities to learn about projects of waste-to-energy. The experts underscored developed EU countries partly solved issues of municipal waste dumping.

Belgrade purchases five electric buses

January 21

Serbian capital's public transportation company GSP Beograd signed a contract with Chariot Motors from Sofia, Bulgaria, for the delivery of five electric buses. The solo low-floor vehicles will come to Belgrade within 150 days. Mayor Siniša Mali said there are 700 buses in the city streets, spending **three million litres of fuel a month**. The four kilometre line in the central part of the city will be the first in any European capital to be served only by electric buses, he stressed and expressed hope that it will be possible to buy more units every year.

Željko Milković, head of GSP, said Belgrade will be the first city in Europe to utilize the technology of **ultracapacitors with fast charging**. The system is used in Tel Aviv and Tehran, while the Austrian city of Graz is negotiating about purchasing buses from Chariot, he underscored.

The vehicles are **designed for 80 passengers** and outside temperatures from minus 20 to plus 50 degrees. The charging time is 10 minutes, for the range of 20 kilometres.

Project Impact brings funds for circular economy

January 26

Snežana Bogosavljević Bošković, Serbian minister of agriculture and environmental protection, Siegmund Müller, director of German Development Cooperation (GIZ) Serbia, and Klaus Schmidt, Impact Project leader, signed an agreement on the implementation of the second phase of the project. In the next three years, EUR 3 million will be invested in five pilot municipalities in areas of waste and waste water management, the ministry said.

The project is funded by the German government, it includes strengthening of administrative capacity, and it will be realized in Aleksandrovac, Kuršumljia, Bela Crkva, Krupanj and Svilajnac. Minister Bogosavljević Bošković said there are great efforts to attract investments in the field and that more than EUR 3 billion is needed. The aim is to promote waste as resource to be reused, she added.

Müller said the idea for the new phase of the project is for the municipal authorities to implement an integrated system of environmental protection and waste management, including waste water. Schmidt added one of the aspects is integration of minorities and vulnerable groups, particularly people from the Roma community, as many gather waste.

The Impact Project was launched in 2012 and lasted for three years. During that time, the five municipalities measured the amounts and composition of waste and waste waters. The project aims to set preconditions for the introduction of circular economy on the local and national levels.

Countdown to RENEXPO Western Balkans

January 28

BelExpoentar in Belgrade will be the business meeting point of investors, decision makers, ministries representatives and municipal authorities, as well as business leaders from renewable energy sectors on April 20 and 21, company REECO said. The third RENEXPO Western Balkans will provide **a complete regional overview** of potentials, projects, legislation and news. Side programs during the trade fair, such as exclusive industry roundtables, matchmaking between European and regional companies and entrepreneurs, as well as tailor made conferences, are included in the schedule.

The organizers said this time they are introducing Regional Engineer Employment Days in the sections. Travelling interactive exhibition Energiewende exhibition will give an overview of energy transition. It is funded by the Federal Ministry for Economic Affairs and Energy of Germany. Other topics are geothermal energy, biofuel, waste management, energy efficiency, wind power, small hydro and photovoltaics.

RENEXPO will host B2B meetings of Serbian engineers and representatives of European companies. Enterprises with operations in the fields of biogas, biomass and hydropower are looking for experts with knowledge of German or English language. Interested engineers must register on RENEXPO's website and provide a CV and motivation letter.

Visitors of the event come from the sectors of housing, agriculture and forestry, finance, project development, architecture and planning, energy trading and more. Last year's trade fair and conferences presented **expertise, know-how and innovation**.

Balkan Energy Leaders conference announced for March

January 28

Green World Conferences invited participants to the fourth edition of Balkan Energy Leaders, annual conference and exhibition, which will be held on March 9 and 10 in hotel Hyatt Regency Belgrade. The event will expand coverage of **the renewable energy deployment opportunities and obstacles** that wind, hydro, waste-to-energy, biomass and solar sectors are currently facing in the Balkans, organizers underscored.

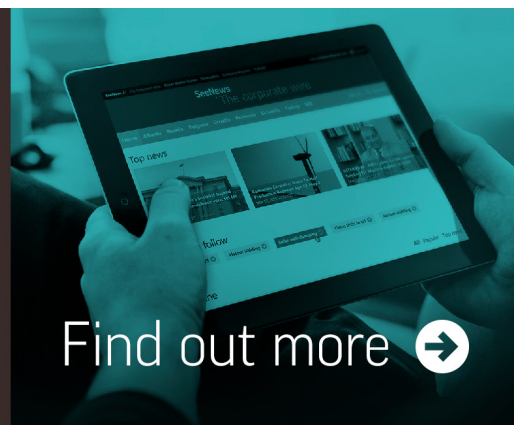
Renewables are receiving more and more recognition in the region and although there are still a lot of issues and gaps in legislation, headway has been made, the announcement said. The main topics of the conference include governmental support for renewable energy development and the region's energy infrastructure integration with the European Union.

The event will have topics like project development options, renewable energy technologies update and energy storage. Visitors can attend presentations about turning municipal waste to energy, the biogas and biomass market opportunities, and grid integration in the green power sector.

Some of the themes are also operations and maintenance and wear and tear protection, project finance, power purchase agreements and energy legislation update. **The third Serbian annual EnerTech Balkans conference and exhibition** was organized in Hyatt in March of last year.

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Business news and intelligence
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KOSOVO

KOSTT, KfW commit to enhance cooperation

January 15



Mustafë Hasani, chief executive of KOSTT – Transmission, System and Market Operator JSC, met Esther Gravenkötter, director of German KfW Development Bank's Kosovo office. They discussed the progress regarding the implementation of **KOSTT's projects financed by KfW** as well as regarding further cooperation between the two institutions, the operator said on its website.

Hasani expressed his interest to further enhance cooperation with KfW, as a strategic partner for the development of the local transmission system. Gravenkötter informed him that energy holds the primary focus for KfW financing, as it was the case to date, with 70% of investments directed to this sector, and expressed her readiness to support KOSTT in new projects to ensure further development of the electricity transmission system in Kosovo.

Hasani handed an appreciation to Gravenkoetter for the financial contribution of KfW in the implementation of projects, in particular the on for the construction of the 400 kV interconnection line between Kosovo and Albania.

Representatives of United States visit KOSTT

January 22



Senior economic official of the Embassy of the United States in Kosovo Tod Christiansen, representative of the **U. S. Agency for International Development (USAID)** Scott Cameron, and project management specialist Arben Nagavci visited the seat of KOSTT – Transmission, System and Market Operator JSC, and met Mustafë Hasani, its chief executive, and his associates.

The topic of the meeting was the support to the energy sector in Kosovo, namely the progress of USAID's Repower project, which includes KOSTT. Through consulting, Repower-Kosovo contributed with the study on the benefits of the common power market of Kosovo and Albania, KOSTT's steps towards the power exchange that is being created in Albania. **The five-year project** supports Kosovo to modernize the country's electricity sector and open the door to clean energy projects for more consistent, more reliable and affordable energy supply.

The USD 12 million (EUR 11 million) endeavour, launched in October of 2014, aims to deliver innovative technical assistance and capacity building solutions by applying tested approaches and leveraging existing networks. It facilitated a connection agreement between KOSTT and the European Network of Transmission System Operators for Electricity (Entso-E). It also completed the power tariff review process to allow licensees to recover sufficient revenues to provide regulated electricity service. Repower initiated the procedure to enable small renewable energy producers to construct capacities with a simplified administrative process. It also completed the first steps for planned unbundling of the Kosovo Energy Company (KEK).

MONTENEGRO

Serbian EMS buys share in transmission utility CGES

December 29



Electric Transmission Network of Serbia (EMS) purchased 10% of ownership of the Montenegrin Electric Power Transmission System (CGES) for EUR 13.84 million at Montenegrin Stock Exchange today, Mina-Business news agency said. A total of 14.57 million stocks were purchased **in 197 transactions**. The price **jumped 9.2% to EUR 0.95 per share**.

Serbian Prime Minister Aleksandar Vučić **earlier stated that EPS has bought 11% of shares** in CGES, part of Montenegrin Electric Power Company (EPCG). Montenegro is looking for a new strategic partner in the energy industry because it wants to ensure the construction of the second part of the thermal power plant Pljevlja II, which requires an investment of EUR 338 million. Vučić said on December 1 that his government bought a stake, and that it is considering investing further. The company reacted by saying it is not aware of any sale to Serbia and that such purchase wasn't mentioned even as an idea. "Terna couldn't have negotiated the sale of a part of its 22% of shares either, not without the knowledge its partner, the Government of Montenegro, which owns 55% of the shares," CGES stated. Eight thousand minority shareholders own about 23%, some through custodial accounts.

An owner of a 3.71% stake is hidden behind HB omnibus custodial account, whereas Investment Fund Trend owns about 2.8%, Mina-Business said. An owner of 1.57% shares is behind EC omnibus custodial account. Sig company owns a 1.55% stake, and others hold less than 1% each.

CGES will cover the cost for a cross-border power transmission capacity **with half of the EUR 50 million in European Union funds** recently secured by the

government in Podgorica. Funds secured at last year's Western Balkans Summit in Vienna will be earmarked for the construction of a transmission line connecting Montenegro with Serbia and Bosnia, a project being implemented by the company.

Malta investing in Montenegro energy sector

January 11

Investment in the wind farm at Možura hill is a first step of possible cooperation between Montenegro and Malta in energy sector, prime minister Milo Đukanović said, adding he is sure that **the project will be implemented within deadlines**. At the meeting with the delegation from the island country, the prime minister of Montenegro said he had been presented many ideas that can be useful in terms of implementing positive experiences in economic and pro-European development, Mina-Business news agency reported.

Đukanović said that he discussed primarily about economic cooperation with his Maltese counterpart Joseph Muscat. The EUR 80 million investment includes use of new energy sources and complements Montenegrin generation capacities in energy sector, he said and expressed hope the project will lead to more cooperation. Namely, there are possibilities for joint use of renewable sources in Montenegro.

The Maltese prime minister offered Montenegro to use his country's experience in the field of tourism development through internationalisation of educational and other capacities, Đukanović said. Muscat said the delegation came to Montenegro to visit the construction site of their first foreign investment in many years. "We have chosen Montenegro because we see the potential here. We invest money and credibility, because we have chosen Montenegro among the many options and I welcome the efforts of the Montenegrin government in creating the conditions to ensure facilitating bureaucracy and concluding contracts on time. We can assure you that the project will be implemented," said Muscat.

The transfer of the agreement on the lease of land and construction of the Možura wind power plant was conducted in Podgorica in November between Montenegro and **Enemalta Plc**, a company majority-owned by the Government of Malta. After the investors began works for first wind farm in Montenegro near Nikšić, implementation of a similar investment at

CROATIA

Možura near Bar, in the south of the country, **was launched in the summer**. The domestic Ministry of Economy said the construction of these two power facilities will greatly contribute to meeting the national target of 33% share of renewable energy in final consumption.

Green power producers get new compensation decree

January 23



Montenegrin Electric Power Company (EPCG) is the qualified buyer of electricity **from renewable sources, highly efficient cogeneration and waste**, according to a decree adopted by the country's government. The utility is obligated to provide the compensation, as it is declared a non-budgetary category. The tariff is added to the electricity bill for all consumers and is determined in euro cents per kilowatt hour.

The decree is in line with the Law on Energy which the country's **parliament adopted on December 29**. Out of 57 members of the national assembly who voted, 43 supported the law, nine were against and five abstained. Minister of Economy Vladimir Kavarić said the new legislation should remove shortcomings such as the underdevelopment of the electricity market, and the ones in the regulation of agreements between entities and quality of information provided to citizens. The law secures obligations by entities and introduces new electric power suppliers. It will also contribute to consumer protection, according to the minister. The legislation covers electricity from renewable energy sources and high efficiency cogeneration in particular.

Members of parliament from the opposition argued the document provides for financing monopolistic activities, stipulating incentives and subsidies for companies that construct small hydropower plants. They disputed the method of calculating power prices.

Biogas power plant boosting Slatina's economy

January 7

Company Biointegra d. o. o. plans to complete its 2.4 MW facility for generating electrical energy from biogas in Slatina by May 1, regional daily Glas Slavonije's portal said. The municipality in Croatia's northeast experienced stagnation for three years, as procedures were underway for significant projects, and this one is worth EUR 7 million. The enterprise's owner Franjo Hoić said the power plant in the economic zone of Kućanica-Medinci will supply **its manufacturing facility with 0.4 MW and sell the remaining output** to the grid. The electricity generation will be **run remotely**, from a dispatch centre. The plant will employ three people, with help from six seasonal workers.

Thirty family farms on 400 hectares, producing maize silage, will supply the plant. "We plan to build greenhouses for vegetable production, and the heat energy will suffice for two hectares. More than twenty workers could be hired in them," Hoić said. His and his partners' firm Bioplin proizvodnja d. o. o. will launch construction of another electric power plant in the same economic zone. The facility will have capacity of 1 MW and the project is worth EUR 4.4 million. Total investment by the entrepreneur in Slatina, including two power plants and greenhouses, are estimated at EUR 14 million, the article said.

In early November, **canopy solar power plant Sinerot** started to operate nearby. Its total value is EUR 900,000 and its co-founder is the local authority.

Končar chosen to to construct Vranduk hydro plant

January 9

Croatian company Končar – Power Plant and Electric Traction Engineering Inc. (Končar – Ket) signed a contract with public utility Elektroprivreda Bosne i Hercegovine d. d. in Sarajevo to build Vranduk hydroelectric power plant as part of consortium with Austrian Strabag AG, which dominates with a share of 63.4%. The project is worth EUR 63 million. This will be the first new hydropower facility for Elektroprivreda BiH after the last war period. It will be located on the Bosna river, in the Zenica municipality.

The consortium has won an international tender. Končar will be responsible for the design, manufacture and delivery of the electric equipment, with installation and initial operation. The delivery part will involve other Končar's companies. The turbines will be designed in cooperation with an Austrian partner company Voith.

Preparation works are announced for the start of this year, while the construction of the facilities will be launched in six months, after main projects are reviewed and building permits are received. The overall deadline is 46 months. Vranduk will have a capacity of 19.63 MW for the output of 96.38 GWh per year. Elektroprivreda said it financed 34 infrastructure projects in surrounding settlements with EUR 770,000. The European Bank for Reconstruction and Development and the European Investment Bank will fund the construction of the hydropower plant.

Earth, wind, sun fuel Seecel's new home

January 12

A unique energy efficient building is under construction in Zagreb. It will serve as a hub for entrepreneurial learning for countries of Southeastern Europe, and civil engineering students are already at the site, improving their skills. The Home of Entrepreneurial Learning uses renewable energy sources: **groundwater of 12 to 15 degrees Celsius** provides heating and cooling, while solar panels are paired with six small wind turbines, N1 television reported. The investment is worth over EUR 30 million.

The future seat of the South East European Centre for Entrepreneurial Learning (Seecel) is the only social infrastructure project for the region of Southeastern Europe. Its director Efka Heder told Balkan Green Energy News it was directly funded through Western Balkans Investment Framework – WBIF. The facility supported the production of technical documentation as well as the construction work supervision, while the whole project is financed from European Union funds with 85% and the remainder is provided by Croatia, she explained.

Seecel was founded in 2009 on the initiative of EU's eight pre-accession countries with the aim to develop competitiveness of small and medium-sized enterprises, defined by the Small Business Act for Europe.

The new building has a total of 14,500 square metres on a plot of 13,000 square metres. It should be complete in the summer.

Crobiom opposes regulation on renewables

January 13

At an emergency meeting of the Executive Board of Crobiom, Association of Peat, Briquettes and Wood Biomass Producers, a motion was adopted on January 8 to **propose a delay of the adoption of regulations** on renewable sources, for which **public consultation was held until January 13**. The association drew attention to the overall situation regarding the need for greater use of biomass and wood fuel, the status of cogeneration plants and the contract with Croatian Energy Market Operator (HROTE), as well as the negotiation about contracts for raw material with public forest management company Hrvatske šume d. o. o.

Representatives of Crobiom expressed concern that the introduction of regulation is rushed immediately after the law on renewables came into force at the beginning of the year. The companies in the sector say the pellet business isn't profitable as before, as several mild winters caused saturation in the market, and that the commodity's prices dropped by one fifth because of imports from the United States.

“Biomass plants quotas envisaged in the national action plan for 2020 were completed at the end of November, which is a limiting factor for all investors.”

Marijan Kavran, head of Croatian Wood Cluster, said the proposed regulations favour big producers, ones with cogeneration capacity between 5 MW and 20 MW.

Biomass plants quotas envisaged in the national action plan for 2020 were completed at the end of November, which is a limiting factor for all investors from the timber industry, but also for others interested in this sector, Crobiom said.

“We are committed to raising the share of biomass and wood fuel in Croatian energy strategies and the implementation of European policies on renewable energy sources, said Raoul Cvečić Bole, the association's president. Given that some of the EU member states, such as Austria and the Baltic countries, exceeded the share of 30 percent of biomass in the total energy production in these countries, and that **in Croatia such production is still insufficient**, it is inevitable to audit quota and reconceptualize national use of biomass, Crobiom said.

Ministry's assessment for wind park annulled

January 15

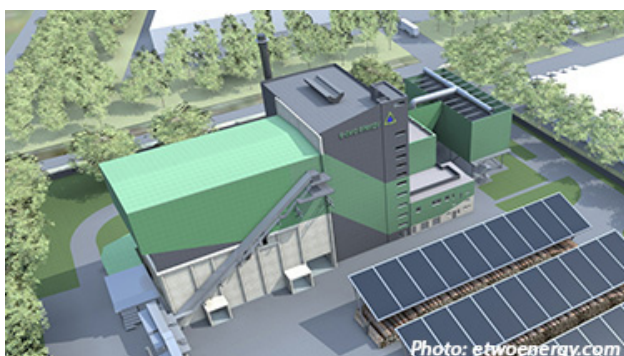
The Administrative Court in Split accepted Association BIOM's law suit and declared invalid the decision of Croatia's Ministry of Environmental and Nature Protection to accept the construction of Bila Ploča wind power plant in Pelješac peninsula in the country's south. This is the first ruling which blocks a project in an area significant for bird protection as it has been determined that the environmental impact assessment study was unfounded, BIOM said. According to its press release, **studies have been produced unprofessionally for years**, including findings related to the Natura 2000 network.

The process was initiated by the association and the Croatian Society for Bird and Nature Protection three years ago and the court issued the ruling on December 28. The situation with the study was absurd as state institutions had identified the area as significant for bird protection on an international level, said Vedran Lucić, spokesman of BIOM, and added that bad positioning of wind power plants can cause high mortality of birds and bats, as they collide with turbine blades.

Unfounded studies are the consequence of direct deals between investors and producers of the document, and the ministry tolerates actions against protected species and habitats in Croatia, the press release said. BIOM has three more pending law suits related to bird protection, for wind parks in the mountains of Dinara and Velebit.

Dutch investor sues government for blocked project

January 21



Amlyn Holding BV, registered in Amsterdam, informed the Ministry of Economy of Croatia in December that it had started a process the European Court of

Arbitration. It is asking for payment of damages because of a blockage imposed on the construction of a woody biomass-fired power plant in Koprivnički Ivanec in the country's north, portal Poslovni.hr said.

The firm launched the project in 2009 under the name TEKI Amlyn, encouraged by calls from the government, which stated it is ready for investment in green energy. The 20 MW facility was supposed to be one of the biggest ones in Croatia of its kind, **and EUR 85 million was planned for investment**. The power plant was supposed to employ 150 people, but the company claims it faced obstruction at the local and state levels. E2G, the company which Amlyn established in Croatia, invested EUR 8 million in land purchase and procedures for permits and other documents, the Dutch firm argues.

The first blocks occurred during the public procurement for biomass from the public forest management company Hrvatske šume d. o. o., the only supplier, the article said. The struggle for a contract lasted for years, as the procedures were suspended and annulled. Finally in 2011 the company received a power purchase agreement (PPA) from HROTE, energy market operator. Still, the implementation required an application at regulatory agency HERA for the status of a privileged energy producer. It was approved in the spring of 2012.

“E2G, the company which Amlyn established in Croatia, invested EUR 8 million in land purchase and procedures for permits and other documents, the Dutch firm argues.”

The European Bank for Reconstruction and Development stepped in with financing, but subsequently the biomass contract criteria changed and the minimum efficiency was raised to 50%, while **the project was planned for 37%**, according to the article. The investor needed to change the concept so that the possibility of heat supply is introduced, which wasn't foreseen in the PPA. The alteration meant new permits were needed. Later the contract was annulled as the status expired, so EBRD and other partners pulled away, Amlyn said.

SLOVENIA

Crodux energija joins BSP SouthPool

January 1

BSP Regional Energy Exchange LLC, registered in Ljubljana, said Crodux energija d. o. o. became a member of BSP SouthPool. The company joined the Slovenian electricity **day-ahead and intraday market**. Crodux energija was established by Croatian enterprise Crodux plin. In September it started trading in electricity in its home country in strategic partnership with Swiss company Alpiq.

The exchange has 45 members: Alpiq Energy, Axpo Trading AG, Ayen energija, Crodux energija, Danske Commodities, DufEnergy Trading, Duferco Energia, Edelweiss Energia, EDF Trading, Ekologicke Zdroje Energie, Electrade, Elektro Slovenija, Edison Trading, Elektro energija Celje, Elektro energija, Energija plus, Energija naturalis Int., E3, Enel Trading, Energetika Ljubljana, Energi Danmark, Energy Financing Team, Europe Energy SpA, EVN Trading South East Europe, Ezpada, GALA, Gazprom Marketing & Trading, GEN-I, HEP, Hera Trading, Holding Slovenske elektrarne, Illumia, Interenergo, JAS Energy Trading, MVM Partner ZRt., Neas Energy, Petrol d. d., Petrol energetika, Statkraft Markets, TEI Deutschland, Tradition Financial Services (TFS), Unitrading Energia Srl, Vattenfall Energy Trading, Verbund Trading, and Vitol.

New player and statuses in Balance Scheme

January 5

New player in the Slovenian power market is NIS Petrol Srl. The company entered the Balance Scheme on December 31, Borzen said.

As of January 1 there are changes within the system, namely balance group Borzen, d. o. o. – Centre for support (Eco group) changed its status to **balance subgroup responsible party** in the GEN-I d. o. o. group, while subgroup Petrol energetika d. o. o. and its subgroups Acroni d. o. o. and ZDS Jesenice passed from group HSE d. o. o. to GEN-I.

Balance subgroup Gorenjske elektrarne d. o. o. passed from group GEN-I to subgroup ECE d. o. o., which is in group HSE. Balance subgroups SODO d. o. o. (d. o. Elektro Ljubljana d. d.), SODO (d. o. Elektro Celje d. d.), SODO (d. o. Elektro Maribor d. d.), SODO (d. o. Elektro Gorenjska d. d.) and SODO (d. o. Elektro Primorska d. d.) exited the scheme. Subgroup SODO (distribution

area for entire Slovenia) entered the scheme and now has a status of subgroup responsible party in the HEP group. Company Repower Italia SpA exited the Balance Scheme.

There are now **79 members in the Slovenian Balance Scheme**. Members can act on the market as traders who buy or sell electricity according to volumes known in advance (closed contracts), or as suppliers of electricity who, besides electricity trading, also deal with electricity supply to consumers or with electricity purchase from producers (open contracts). The transmission system operator, distribution system operator and energy exchange are also members. The Centre for support has established one or more eco (sub)groups with special status in accordance with the regulations in force. An eco group is designed for the settlement of differences between announced and realised production and sale of electricity, gathered from participants of the support scheme who are entitled to guaranteed purchase.

Over 1,000 proposals for energy concept blueprint

January 13

The Ministry of Infrastructure is organising four consultation rounds as a broad debate about the Energy Concept of Slovenia, **before the government adopts the document in October of next year**, according to Danijel Levičar, head of the ministry's Energy Directorate, portal Trajnostna energija said. He stressed such an important document cannot be produced in rush, without adequate professional basis, particular numbers and a wide public consensus. The parliament should pass the concept by the end of 2017.

More than 1,000 proposals were submitted after the concept blueprint was presented last year, the ministry said. They came from seven hundred individuals and 53 organizations, including energy companies, state administration, different parts of the non-governmental sector, science and research institutions and trade unions. Levičar said key topics are the availability of sources, electricity generation, heating and transport.

There were 20 presentations **from last June**, and minister Peter Gašperčič said consultations continue throughout this year. At the same time, the Energy Union process is ongoing and the documents need

to be harmonized, he said and underscored that European targets were included in the concept.

Net metering decree comes into force

January 15

Slovenian prosumers, consumers of electricity who also generate power, became active players in the market with the implementation of the decree on self-consumption and net metering. The regulations cover **households and small business customers**. Installation of the device in the home low-voltage system is for the most part intended for the utilization of electricity from renewable sources. Potential surplus is sold to a power trader, portal Naš stik reported.

“*The overall controlled deployed power for the calendar year is seven megavolt-amperes for household consumers and three megavolt-amperes for small businesses.*”

The **decree** and the rulebook based on it determine the conditions and safety measures. Nominal strength of the net metering device is limited to 11 kilovolt-amperes, suitable for covering household needs throughout the year. The overall controlled deployed power for the calendar year is seven megavolt-amperes for household consumers and three megavolt-amperes for small businesses. Adding 10 MW of supply per year until 2020 would mean 27.8 kilotonnes of carbon dioxide less emissions and another 50 megavolt-amperes would be equivalent to 52.5 GWh of green energy without additional burden for the support scheme for renewables, the article said.

Eco Fund to disburse higher grants for e-vehicles

January 19



Slovenian Environmental Public Fund extended last year's public calls for grants for electric vehicles and

announced it would publish new ones. The institution determined grant levels to be between EUR 3,000 and EUR 7,500 depending on the vehicle, compared to last year's EUR 2,000 to EUR 5,000, according to portal Invest in Slovenia. Citizens can also apply for loans with favourable conditions consistent with environmentally friendly investment.

Eco Fund plans to publish yearly tenders in February. Individuals, the state, local communities and companies will be eligible to apply. Since 2011, the fund has made available EUR 1.8 million euros in grants for e-cars, while it has actually **paid out EUR 1.1 million** for the purchase or remodelling of 274 vehicles. Apart from the grants, the fund also made available EUR 15 million in low-interest loans for environmental investments.

Businesses expand operations with energy efficiency

January 20

Three companies in Slovenia invested in distribution and generation of warm water, portal Trajnostna energija reported.

The steel industry is focusing on the vast potentials of waste heat for electricity and district heating. Metal Ravne d. o. o. launched a project with Petrol energetika to provide heat to the local Carinthian village Ravne na Koroškem. The member of SIJ – Slovenian Steel Group completed the first phase by taking **the surplus energy from the furnace** to the local businesses and population. The produced heating is equivalent to between a fifth and a quarter of the needs. The challenge is to move to second phase, where low-temperature waste heat would, for instance, be converted with heat pumps, the article said.

“*Metal Ravne may invest in heat pumps to convert low-temperature waste heat and fully cover the needs of the local community.*”

Group Hoteli Bernardin d. d. installed a heat pump in San Simon resort in Izola in the country's seaside. **The project is worth EUR 150,000** and it was implemented with GGE d. o. o. This is the hotel enterprise's third heat pump with the partner's solutions.

Italian Aquafil SpA's chemical industry Julon d. o. o. in capital Ljubljana invested EUR 300,000 together with **Atlantis spa centre to supply it with waste heat for the swimming pool**, meeting all needs. The companies say an equivalent of over 2,000 tonnes of carbon dioxide emissions is saved per year, parallel to economic gain.

BOSNIA AND HERZEGOVINA

Foča assembly has little power over small hydro

December 31

The opposition in a town in southeastern Bosnia and Herzegovina is asking for a special session of the local parliament. At a regular meeting, Radisav Mašić, chief of the Municipality of Foča, read information on the plans and development of **14 small hydropower plants** on the rivers Čehotina, **Govza**, Bistrica, Oteša, Krupica, Jabušnica, Sutjeska i Hrčavka. He said a third of the members of the local assembly asked for the opportunity to talk to investors and contractors, portal Novosti.rs reported.

The concessions are issued by the Government of the Republic of Srpska, one of the country's two entities, and there are problems that the affected population have from the construction, says Izet Spahić from the opposition group. „We want to put an end to this and make it clear who is obligated to do what and who is responsible for what,” he said.

Besides the 14 small projects, there is a plan to build hydropower plants **Buk Bijela, Foča and Paunci nearby on river Drina**. So far only the small facility Oteša B-O-2 was built, chief Mašić said. „The only issues are about the small hydropower plants on Sutjeska and Hrčavka, as **the spatial plan of national park Sutjeska** is not yet adopted. But I have nothing against a special session of the Municipal Assembly of Foča about the construction of hydropower plants in the area,” he said.

It remained unclear when the session will be held and who will present conclusions and other information to owners of mini hydro facilities. The municipality is only responsible for location permits for systems smaller than 250 kW, like the ones planned to be built on the water streams Krupica and Jabušnica.

Works on Podveležje wind park to start this year

January 12

The Government of the Federation of Bosnia and Herzegovina gave approval to public enterprise

Elektroprivreda BiH d. d. (Electric Utility of BiH) for the launch of the construction of Podveležje wind power plant near Mostar in the south of the country. The project starts with roads, and goes on to substations and the installation of wind turbines. **The activities** should start in the fourth quarter, the company said. KfW Development Bank from Germany financed 90% of the project with a loan of EUR 65 million, while the utility provides another EUR 6.8 million.

Sixteen turbines are planned to be installed at the locations of Mali grad and Svetigora. **Total capacity is 48 MW** and the expected output is 120 GWh per year. Elektroprivreda BiH said local population will have a better economic situation, as the project supports the community with a friendly environment programme of infrastructure investment. The works include roads and water supply, as well as the development of the power grid in the wider area, the company stated. Its public relations sector said domestic engineering forces will be hired and that this will contribute to employment of the population. The press release mentions a positive effect from the development of the local tourism capacity.

Representatives of Turkish dairy industry visit BiH

January 12



Sütaş Süt Ürünleri AŞ, which generates 30 GWh of electricity per year from stable and production waste, presented its activities to dairy companies and the Ministry of Agriculture, Water Management and Forestry of the Federation of Bosnia and Herzegovina. Šemsudin Dedić, the responsible minister in the

government of the entity, spoke with Haydar Yılmaz and İlhan İla, representatives of the Turkish company, and Sedat Yıldız, economic counsellor from the country's embassy in Sarajevo.

The minister spoke to the guests about the challenges for the sector in the current negotiations about a stabilization and association agreement with the European Union, **especially in the segment of traditional trade with neighbouring Croatia**, an EU member, as there is concern that abolition of import tariffs would destroy the local economy, where dairy producers are particularly vulnerable. Officials from Sūtaş told Dedić about the company's plans to expand in the Western Balkans countries, with focus on milk production in BiH. The Turkish enterprise implements an integrated manufacturing system with highly efficient technology for the processing of raw material and recycling, they said.

Progress made in development of three wind farms

January 14

A memorandum of understanding was signed by local company Gradina d. o. o. on the one side, and the China Machinery Engineering Corporation and China-Africa Investment and Development Corporation on the other, with the aim to build a wind power plant in the municipality of Tomislavgrad, in the south of Bosnia and Herzegovina. The project is worth BAM 150 million (EUR 76.73 million) and partners made commitment to launch the facility before the end of 2017. The location of Gradina is planned for 35 turbines of 3.2 MW each, and the Tomislavgrad-based company's chief Mate Dukić said research started ten years ago.

In other news, the Una-Sana Canton's government published an invitation for applications in a project of concession for the utilization of construction-designated land to research, design, build, develop, equip and maintain a wind power plant in the territory of the town of Bihać. The facilities in question should have individual power of up to 5 MW. The public procurement gives the concessionaire the ability to build a wind park with installed power of up to 40 MW in two locations. The land has a surface of one million hectares, and the concession is for a period of maximum thirty years. If measurement data shows there is no feasibility, the concession will be terminated, but it can otherwise be extended.

The government of the Federation of Bosnia and Herzegovina, one of the country's two entities,

approved initially the application of company Kamen-dent from Mostar to build a wind park with 16 turbines of 3 MW each in the territory of the Ravno-Kozjača village in Kupres municipality. The project is for yearly electricity generation of 139.5 MWh.

Entity government combs idle energy concessions

January 20

The Republic of Srpska plans to review all concession contracts in the energy sector this year and to annul the ones which aren't making progress for no particular reason, portal Nezavisne.com said. Then new public calls will be launched for investors.

Sources from the entity's police ministry said some checks have already started for cases which are not meeting deadlines. The concession authority's data shows **276 contracts have been signed** since the year 2000, mostly in the sector under the responsibility of the Ministry of Industry, Energy and Mining, with 198 documents. They include hydropower projects by **HES Vrbas**, the only ones granted by the government itself.

Nezavisne say the activities have the support of investors, which argue that the review will show who the speculators are. Minister Petar Đokić said the government wants energy projects to progress as fast as possible. He stated negotiations are ongoing with the representatives of HES Vrbas, who claim damages of BAM 46 million (EUR 23.5 million), but that there is no need for arbitration. Đokić said the company's investments should be estimated realistically, so that the value can be reimbursed.

The agreement on the construction of the 48.5 MW Krupa hydropower plant and the 37.2 Banja Luka – niska facility was signed in November 2004, and valued at EUR 164.7 million. The concession period was supposed to be 25 years, after four and a half years of construction. Under pressure from a public campaign by a coalition of over 30 non-governmental organizations, and almost 20,000 signatures in a petition, the Banja Luka City Assembly adopted a resolution in 2005 to oppose the project, which made it unfeasible, according to the Center for Environment (CZŽS), an environmentalist group. It issued a statement in early October of 2015, praising the termination of the contract.

The firm secured guarantees for only EUR 1 million in the project worth EUR 165 million, according to findings by portal Rtvbn.com. **MBB WS Energy GmbH from Munich had a stake of 79%** in 2006, while Viadukt

ROMANIA

from Portorož, Slovenia, had 20% and Građevinar from Kraljevo, Serbia, had 1% of shares. A registration document from last September shows the company have BAM 51,000 (EUR 26,000) in capital.

Japan's Marubeni eyes investment opportunities

January 21



Representatives of Marubeni Corporation's businesses in the Czech Republic and Romania Kazuya Kodama and Tashiro Kimura visited the Foreign Investment Promotion Agency (FIPA). The institution's director Gordan Milinić informed the guests on **major projects owned by public companies** of Bosnia and Herzegovina, including also private companies' projects, as well as on the conditions for investing and the status of foreign investors.

Japanese companies are interested in major energy projects (thermal, hydro and wind projects), as well as major endeavours related to the water sector and the environment, FIPA said. Milinić stressed the importance of establishing direct contact between investors and the owners or holders of these projects, and stressed that the agency will provide all necessary assistance.

Marubeni was founded in 1858 in Tokyo. It has 10 offices in Japan and 117 offices in 64 countries with 4,289 employees. The company operates in the field of agriculture, chemical industry, energy and metal sector, construction of power plants, transportation and mechanical industry.

Hydro, wind, photovoltaics output to grow by 14.65%

December 29



Green energy output from Romanian hydroelectric power, wind and photovoltaics will grow 14.65% through 2019, according to a **power balance estimate** of the National Prognosis Board (CNP), Agerpres reported. Renewable energy facilities hit an aggregate capacity of 5.1 GW at the end of November 2015, power grid operator Transelectrica's data show, according to an article by news agency Act Media.

There were **four wind farms with a capacity of 3.13 GW** connected to the system, the capacity of photovoltaic parks was 1.31 GW, small hydro facilities accounted for 583 MW and biomass energy projects had a cumulative capacity of 103 MW.

The green power capacity installed in the system fell from 5.18 GW, recorded as of October 31. The most substantial decline was for wind farms, dipping from 3.19 GW. At the end of 2014, renewable capacities connected to the system stood at a combined 5.2 GW, Transelectrica said.

Hydro, wind and photovoltaic energy will increase from 2.32 million tonnes of oil equivalent in 2015 to 2.405 million this year, to 2.49 million in 2017, to 2.575 million in the subsequent year, and to 2.66 million tonnes in 2019, CNP estimates. Nuclear power output will be flat through 2019, at 2.865 million tonnes of oil equivalent per year. Total imports of electricity should count for 260,000 tonnes of oil equivalent annually until 2019, and will represent 2.2% of total imports of primary energy resources in 2016, 2.1% in 2017 and 2% in 2018 and 2019.

EBRD exits ownership over share in E.ON Romania

January 5

The European Bank for Reconstruction and Development (EBRD) sold its 9.82% stake in E.ON Romania, part of German E.ON Group, Romania Journal reported on its website. The company is an integrated natural gas and electricity supplier on the domestic market.

EBRD, which in 2007 bought E.ON's shares for EUR 43 million, passed the stake to E.ON Beteiligungen GmbH, the majority shareholder of E.ON Romania, local media informed, citing information from the Official Gazette. Following the transfer, **E.ON Beteiligungen holds a 99.92% stake** in E.ON Romania.

Total value of shares transferred by the EBRD amounts to RON 141.83 million (EUR 31.27 million).

Constanța leads in green energy capacity

January 7

With an installed capacity of over 1,639 MW, Constanța has the most renewable energy, followed by Tulcea and Giurgiu, while Sălaj, Ilfov and Covasna are the least developed, having less than 10 MW each, according to a document of Romanian state-owned Transelectrica SA. The champion county has the most wind energy, **with turbines of 1,636 MW**, and 3.5 MW are photovoltaic panels, Act Media reported.

Neighbouring Tulcea has 809 MW, with wind turbines' capacity of 796 MW and the rest from photovoltaic panels, according to data provided by the transmission system operator. The region of Dobrogea, consisting of the two counties, is considered to have the biggest wind potential in Southeastern Europe, and it initially drew investors in the sector to Romania. Giurgiu has 193 MW installed, while Prahova has 188 MW.

Transelectrica and the eight electricity distribution operators in Romania had a contract valid through last month for connection to the grid for renewable energy projects with a total of 10.8 GW, according to another document of Transelectrica. The biggest capacities are those producing wind energy, 7.52 GW. Photovoltaic projects with connection contracts got to 2.5 GW while small hydropower stations have a total of 621 MW. There are capacities of 139.9 MW of biomass and 16.7 MW of biogas with connection contracts, as well as a small project of 50 kW of geothermal energy. The contract means they are already functioning or in advanced stage of construction.

At the end of November, capacities for renewable electricity with installed power of 5.13 GW were in function in the system, according to Transelectrica. Wind parks accounted for 3.13 GW, photovoltaic panels had 1.31 GW, small hydropower stations had 583 MW, and biomass projects had the capacity of 103 MW.

Renewable energy producers receive free green certificates to sell. They are paid by all users in Romania, including by the population in the electricity bill. This year's compulsory quota of electricity produced from renewable sources in the system of certificates is 12.15% of consumption, according to a decision adopted by the government on December 30. Last year's quota was 11.9%. The current level is flat on the year, **at RON 35 (EUR 7.72) per MWh**, without transferring unjustified costs in the bill, the authorities say.

Watchdog fines Hidroelectrica's group EUR 37 million

January 11



The Competition Council has sanctioned Hidroelectrica SA **and its ten contractual partners**, mainly electricity traders, with fines of RON 165.84 million (EUR 36.57 million) for concluding irregular agreements. The ruling will help Hidroelectrica in its law suits as it shows contracts were illegal, said Remus Borza, the company's insolvency administrator. The opponents in the cases are small firms which bought cheap power from Hidroelectrica from 2003 to 2012, and asked for damages when contracts were terminated, Borza said.

Earlier, president of the Bucharest Stock Exchange Lucian Anghel said listing of state-controlled companies improves their corporate governance, and that **Hidroelectrica is awaited at the market** by investors. Hidroelectrica, under insolvency, reported **net profit of EUR 198.5 million for last year**, from a turnover of EUR 710 million and power generation of 15.9 TWh. Earlier in the year, the company's administrator Remus Borza said **expected production**

is at least 18 TWh, with profit of over EUR 300 million. Net income in the previous year was EUR 220 million, from a turnover of EUR 750 million and output of 18.4 TWh. As of last June, Hidroelectrica has no accumulated debts to banks or suppliers, only current ones, Romania Journal reported. The management expects it to become officially solvent in the summer.

Within the investigation, the Competition Council had analysed the long-term contracts with electricity suppliers and eligible consumers on the wholesale market. The contracts preferentially concluded without an objective selection process and in the absence of transparent procedures provided for trading of a higher quantity of electricity than Hidroelectrica was able to produce (between 95% and 175%). Prices were lower than those on the trading platforms such as CMBC (Centralized Market of Bilateral Contracts) and DAM (Day-Ahead Market). "Substantially, the entire quantity of electricity produced by Hidroelectrica was delivered based on these long-term contracts while other market participants had no access to this source of cheap electricity. Moreover, the contracts were concluded under the conditions in which all parties involved knew information on the hydrologically increased risk, respectively on insufficient amount of electricity available. Thus, to honour its contracts, Hidroelectrica had purchased substantial quantities of electricity from competitive market at a higher price than that charged to its partners" said Bogdan Chiritoiu, president of the council.

“Several companies and electricity traders sued the Competition Council, which delayed the investigation procedure for more than one year.”

Hidroelectrica received about 450 requests for electricity supply from 2003 through 2012 which it was unable to meet. At the same time, the agreements also affected the company's competitors in electricity production and trading market, the decision adds. The commission concluded Energy Holding Srl, Alpiq RomIndustries Srl, and Alpiq RomEnergie Srl had coordination to determine trading conditions. The same behavior was proved in case of Elsid SA and Electrocarbon SA.

Energy Financing Team AG, Alpiq RomIndustries Srl, Hidroelectrica SA, Alro SA, Energy Holding Srl, and Electromagnetica SA are listed with sums from EUR 2 million to EUR 16 million, while other participants had smaller turnover. Swiss trader Energy Financing Team's penalty is EUR 16 million and Hidroelectrica's is EUR 4.6 million.

Hidroelectrica SA, Elsid SA and Electrocarbon SA admitted their anticompetitive actions, the press

release said. During the investigation, several companies and electricity traders sued the Competition Council, challenging the use of documents gathered during the unannounced inspection carried out at their premises. These actions have delayed the investigation procedure for more than one year.

Following an in-depth investigation, the European Commission has concluded in June that electricity supply contracts signed by the state-owned Romanian electricity generator Hidroelectrica SA with certain electricity traders and industrial customers **did not involve state aid within the meaning of the EU rules**. In particular, the analysis revealed that Hidroelectrica charged prices that were fully in line with the benchmark market price to nine customers (ArcelorMittal, Alro, Alpiq RomEnergie, Alpiq RomIndustries, EFT, Electrica, Electromagnetica, Energy Holding, Euro-PEC).

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.

Electricity bills cut, green energy surplus growing

January 12



The decrease in value-added tax and distribution tariffs led to a reduction of electricity bills, estimated at 8% on average, energy minister Victor Grigorescu said on Antena 3 TV. The tax was cut as of January 1 from 24% to 20%. The Energy Regulatory Authority (ANRE) of Romania **cut the tariffs by an average of 12%**. They represent 40% of the final price, Romania Journal reports. In contrast, the share of green certificates in the bill increased from RON 35 (EUR 7.72) per MWh to EUR 9.48, so the price was lowered 3.5% in total. **Had the share of green certificates not been increased**, ANRE's part of the reduction would have reached 5.5 points.

Romania will reach the level of 24% of the final energy consumption from renewable sources before 2020 so it could statistically **transfer to other states the green energy surplus**, according to the Ministry of Energy. The share in 2013 and 2014 was 25.13% and 26.27%, far exceeding the target of 19.66%, its document says, as reported by Agerpres. At the proposal of ANRE, the government accepted to regulate the share of renewable energy in the system of certificates for this year at 12.15%, compared to 17% as stipulated by law. Last year's quota was 11.9%. The current level is flat on the year, **at RON 35 (EUR 7.72) per MWh**, without transferring unjustified costs in the bill, the authorities say. The quota for this year was approved based on ANRE's scenarios. The target should be reached by limiting the sale of green certificates to 60% of the number issued.

Renewable energy associations protested, stating that they would not have anywhere to sell their green certificates and thus would go bankrupt. Renewable energy producers receive free green certificates to sell. They are paid by all users in Romania, including by the population in the electricity bill. Suppliers must purchase the certificates, so the cost is transferred to end consumers. Employers say the quota ensures the sale of only half of the certificates, so producers have nowhere to sell the remainder.

By January 14, national electricity transmission company Transelectrica issued 13.2 million green certificates for 2015, and 4.1 million were still available, according to Opcom's data, reported by Energy World Magazine. **Only 2,739 certificates were traded on the market**, while 9.2 million were transferred under bilateral contracts, and 124,522 have been reserved by green energy producers who are also suppliers and have to own a quota of green certificates, Nineoclock.ro reported.

“Producers say the quota ensures the sale of only half of the certificates, so producers have nowhere to sell the remainder.”

Romanian state-controlled energy holding Complexul Energetic Oltenia said it acquired 1.6 million carbon-dioxide certificates worth EUR 12.5 million in December, at EUR 7.94 each. Total number of last year's purchases was six million, and the remaining 7.85 million certificates, for 14.95 TWh, remained to be bought early this year.

The volume traded on the Centralized Market of Green Certificates, managed by Opcom, the operator of Romania's electricity and natural gas market, **dropped last year by over 73 times** to 36,618, compared to 2.68 million certificates traded in 2014, Nineoclock.ro reports.

According to Opcom's data, 98% of transactions were made in the first four months.

In October, the government **granted 19 energy intensive companies** agreements for exemption from a part of the number of green certificates in the mandatory quota.

Energy Strategy to be ready in September

January 18



As soon as governments change, the newcomers usually do everything possible to shed the so-called inherited burdens, Nine o'Clock portal said, adding that however this time there is progress in Romania.

Reportedly, the new Energy Minister will not annul what his predecessor Răzvan Nicolescu did in 2013. Victor Grigorescu assumed the portfolio and **included the former minister as consultant** for the finalization of the Energy Strategy. The responsible council consists of 22 specialists from the energy industry, regulatory bodies, consultancies, the financial sector as well as scholars.

Romania's Energy Strategy 2016–2035 was started in 2014 with preliminary analysis and the outline of obligations. They are in the process of updating. New data are put in and legislative, political and technological solutions are taken into account. The revisions should be published by February 15, while the estimated deadline for the strategy is September 15. The document should go through parliamentary debate and be adopted as a legislative act.

BULGARIA

EU Court rules against wind park projects in Kaliakra

January 18



The Court of Justice of the European Union said it ruled that Bulgaria failed to fulfil its obligations under European law by approving the implementation of several projects for wind farms and a golf course in the northeast of the country. The state should pay the costs of the process, the court said and [SeeNews](#) reported.

Projects in question are AES Geo Energy, Disib and Longman Investment, located in the territory of [the important bird area](#) covering the Kaliakra region which was not classified as a special protection area, although it should have been, according to the ruling. The state also approved implementation of irregular projects Kaliakra Wind Power, EVN Enertrag Kavarna and Vertikal – Petkov & Cie, and of the Thracian Cliffs Golf & Spa Resort in special bird protection areas covering the regions of Kaliakra and Belite Skali, respectively, the court said.

“*The state approved implementation of irregular projects in special bird protection areas including the region of Belite Skali.*”

Bulgaria failed to assess properly the cumulative effect of the projects Windtech, Brestiom, Eco Energy and Longman Investment in the territory of the important bird area covering the Kaliakra region which was not classified as a special protection area, although it should have been, and none the less authorised the implementation of the Longman Investment project, the court added.

MACEDONIA

Bitola to get district heating from KfW's loan

December 29

The governments of Macedonia and Germany, local utility ELEM and KfW Development Bank signed agreements for the project of new district heating system for Bitola, Novaci, Mogila and Logovardi. The bank provides [a EUR 39 million loan with fixed interest rate of 1.5% for 15 years](#), including a grace period of four years, according to a report by MIA news agency.

ELEM is obligated to provide EUR 7.5 million from its funds. The first phase is for a 12.5 kilometre pipeline from coal-fired power plant REK Bitola to the town itself, with a substation and distribution network, as well as connections for the three remaining villages in the country's southwest.

The project is for the utilization of waste heat from the power plant. The first phase includes 35 public facilities. Later on, distribution network can be constructed for Novaci, Mogula and Logovardi. Vice premier and minister of finance Zoran Stavreski said significant savings of wood and heating oil will be achieved, alongside benefits for the environment.

KfW will transfer its funds to the contractor which will be picked at an international tender.

Municipality in Skopje to purchase electric cars

December 30



The old fleet of Čair local authority will be replaced by five environmentally friendly vehicles through public procurement. The council of Skopje's old town, the smallest municipality in Macedonia, decided to go

ahead with the purchase after results of an analysis showed the system was economically viable, portal Meta.mk reported.

"With this decision we want to show an example of how we can act towards long-term improvement of environmental protection, especially the quality of air, which we all breathe. I am aware that only one activity cannot bring wanted results, but small steps also lead to a solution," said Izet Mexhiti, the municipality chief, adding **the first charger will be installed** so that citizens can also use it. He announced that the City of Skopje, in collaboration with the Association of the Units of Local Self-government of the Republic of Macedonia (ZELS), will start an initiative to expand the efforts, especially in the segment of charger units in public spaces.

Shoe soles prototype charges phones, gadgets

December 30



Marathon runner Kokan Ajanovski publicly tested a prototype for a revolutionary device that uses the energy generated by walking and running to charge mobile devices like phones and tablets, the United Nations Development Programme reported.

The device is the outcome of **six months of development by a group of four students** whose idea for the invention won a national Climate Challenge competition with a prize of USD 10,000 (EUR 9,180) to help develop the prototype. "Sometimes it's felt like winning the competition was the easy part!" says Aleksandar Lazovski. "Since the win we've been working non-stop on the practical details of the design, consulting with experts and UNDP staff on the most effective ways to develop the prototype."

The demonstration in a shopping centre showed the prototype is up and running, the press release said. "Who wouldn't want these shoes soles? It's a no-brainer," said one shopper. "The only weird thing is they don't already exist."

The idea was first thought up by 19-year-old Loreta Todorovska, student of accounting. "I was getting so frustrated with forgetting to bring my charger with me that I started thinking of ways to attach a charger to clothes. Then I started thinking of how to cut out the need for a power source altogether." She shared her idea with 21-year-old Martina Dimoska, student of nano-materials and robotics; 20-year-old Aleksandar Lazovski, student of marketing and management; and 20-year-old Nikolco Gošev, student of network technologies. Together they came up with the project for using energy from everyday walking and running to generate charging power.

“The team had already worked together on other innovations, including establishing a non-governmental organization called Smart-Up dedicated to helping IT graduates develop their marketing and communications skills in order to get ahead in their careers and business.”

The team had already worked together on other innovations, including establishing a non-governmental organization called Smart-Up dedicated to helping IT graduates develop their marketing and communications skills in order to get ahead in their careers and business. "We knew from the start it was a smart idea," says Gošev. "But then we faced the hard questions of how to fund its development into a marketable product. We needed backing and we needed expert advice. And, fortunately, that's when we heard about the Climate Challenge."

Organized by UNDP with support from the Ministry of Environment and Physical Planning, the Swedish Embassy, USAID, MilieuKontakt and the Social Innovation Hub, the Climate Challenge sought to tap into the country's talent by inviting the public to submit innovative ideas for mitigating climate change. Some 130 ideas were submitted and ten were shortlisted for the two-day Climate Camp.

They will be applying for a patent for their invention, making them the youngest patent holders in the country. "If there's enough demand for the shoe soles," says Martina, "the next step is to start up a company."

World Bank assists in inclusive municipal services

January 11

Almost half of the loans from the International Bank for Reconstruction and Development's Municipal

Services Improvement Project (MSIP) was used for energy efficiency projects, rehabilitation of buildings and waste management.

The World Bank said the Board of Executive Directors **approved EUR 25 million** for the Second Municipal Services Improvement Project (MSIP2). The project aims to improve transparency, financial sustainability, and inclusive delivery of municipal services across the country. MSIP2 will provide sub-loans to municipalities for infrastructure investments such as water supply, sewerage, solid waste management, local roads, energy efficiency improvements to municipal buildings, and other high priority municipal infrastructure investments with clear impact on welfare of citizens and efficiency of services. The project will also introduce a grant component to enhance service delivery and infrastructure for poorer and marginalized communities.

“*The first additional financing of EUR 37.2 million was provided by the World Bank in 2012. The second, of EUR 15.5 million, was recently approved by the European Union with financing from the Instrument for Pre-Accession (IPA) specifically to support rural investment.*”

Fifty seven of the country's eighty municipalities have chosen to participate in the first round and are implementing or have already completed priority infrastructure projects. Of these, 36% have been for street rehabilitation, 13% for water supply, 13% for rehabilitation of municipal buildings, 13% for energy efficiency improvements, 12% for solid waste management, and 13% for procurement of communal service vehicles or other priorities.

“The Second Municipal Services Improvement Project will continue to link investments in priority infrastructure with greater government transparency and accountability and strong citizen engagement at the local level,” said Ellen Goldstein, World Bank's country director for South East Europe. “Going forward, we want to encourage all municipalities in FYR Macedonia to participate in the project, and to address poverty and exclusion by investing more in their poorer communities.”

The municipal investment sub-loans of EUR 18.5 million will provide financing to municipalities for investments in high priority local infrastructure. The poverty and social inclusion grants of EUR 4.9 million will provide investment to municipalities as an incentive for them to invest in infrastructure improvements in poorer and marginalized communities. The component for project management, monitoring and evaluation,

and capacity building worth EUR 1.5 million will be used for support and to help ministries and agencies at the national and municipal levels to strengthen institutional and financial systems for sustainable service delivery.

The first MSIP loan of EUR 18.9 million was followed by two additional financings. The first additional financing of EUR 37.2 million was provided by the World Bank in 2012. The second, of EUR 15.5 million, was recently approved by the European Union with financing from the Instrument for Pre-Accession (IPA) specifically to support rural investment. MSIP2 is financed from a World Bank loan of EUR 25 million with a final maturity of 18 years including a grace period of five years. Total maturity of municipal sub-loans will not exceed thirteen years, including up to three years of grace period. All municipalities are eligible and encouraged to participate.

In view of the electoral cycle in Macedonia, the MSIP2 project will become effective and disbursements will begin only after upcoming parliamentary elections are completed.

Italian company Condotte building hydropower plants

January 13



Italian construction company Condotte is investing in the construction of four small hydropower plants in Macedonia, news agency Independent reported. Speaking at a news conference, Minister of economy Bekim Neziri said the facility **on river Ešterička near Probištip is expected to start to operate**. The two stations on River Zrnovska in the Kočani area and another one on river Kadina in the region of Skopje are in different stages of construction. Even though the company is investing only EUR 19 million, it's encouraging that it is a potential investor that will keep investing in Macedonia, Neziri stated.

Condotte's head Duccio Astaldi praised the cooperation with Macedonia's institutions and its local partner IMPG company in Skopje. The Italian

construction company entered the Macedonian market in 2013. Founded 130 years ago, Condotte invests in infrastructural projects across the world and has annual turnover of EUR 1.2 billion.

Neziri said the possibility of investing in the projects Čebren and Galište and in the Skopje–Blace road was being discussed with Condotte's officials. The Italian company is receiving feedin tariffs from the state, the same as the remaining 64 concessionaires in Macedonia.

Wire and metal producer Brako taps EBRD's loan

January 15



Photo: EBRD

New energy efficient equipment for drawn wire production and metal processing equipment will be purchased from a loan to Brako d. o. o. from Veles to improve production efficiency and quality for the other metal engineered products. The investment by the European Bank for Reconstruction and Development will support the company's growth of **the higher value-added and export-oriented products**.

Over the past decade Brako has been investing in the development of health mobility systems, metal accessories, conveyor belt systems, telecommunication gear and equipment for hydropower plants, according to a press release on EBRD's website.

Anca Ioana Ionescu, EBRD's associate director and head of Skopje office, said: "Using the most innovative tools available in the market in an energy-efficient way is an important component for a competitive and successful business. We're certain that this financing will help Brako to further strengthen its product portfolio and exports."

Kočo Anđušev, president of Brako's Board of Directors, added: "We're keen to continue upgrading our production facilities through the acquisition of new and more efficient equipment. We want to improve our product quality, reduce operating costs and increase production capacity in line with the growing demand."

The EBRD began **investing in the Macedonian economy** in 1993. To date, it has signed 99 projects in the country with a net cumulative business volume of more than EUR 1.6 billion.

Germany's GES establishing solar panel plant

January 18

Renewable energy company German Electro-Mechatronic Systems (GES) signed a contract worth EUR 15 million for the construction of a solar panel and LED lights plant and an office building in Macedonia, the government in Skopje said and **SeeNews** reported.

The construction of the manufacturing facility is expected to start at the end of February or in the beginning of March, as production is set to begin by the end of 2016, a press release revealed. The plant will create 200 jobs and the technology is from the company's unit in China's southeast. The factory and the office building will cover **a combined area of 15,000 square metres** in the industrial zone near the capital. The company will initially export its products to the Middle East and later to Europe as well, Macedonian officials said.

GES provides engineering, construction, assembly, operations and maintenance services in the wind and solar industry. The company has over 3,500 employees and is present in twenty countries.

Biogas plant, cow farm launched in Bitola

January 22

Agriculture company ZIK Pelagonija JSC Bitola opened its biogas-fuelled power plant and cow dairy farm **in the village of Novaci** in Pelagonija region. It invested EUR 10.5 million in electricity generation of 3 MW and EUR 9.78 in the facility with 2,000 cows. ZIK Pelagonija said it is also investing in a farm in the village of Porodin with another power plant of 3 MW. There it will use heat from generators for two glass houses.

“ZIK Pelagonija said it is also investing in a farm in the village of Porodin with another power plant of 3 MW.”

"I hope there will be similar investments in agriculture in the future with funds provided by the budget, i. e. direct investments projected at over EUR 100 million

GREECE

and the rural development program from which EUR 50 million are singled aside every year. The third financial source is the Ipard 2 program estimated at EUR 106 million," said Mihail Cvetkov, minister of agriculture, forestry and water economy.

In May, subsidiary Pelagonija Enerdži DOOEL had its biogas-fuelled electric power plant **registered in the national list** of electricity-generating facilities that run on renewable sources. The generator has an installed capacity of 2 MW and it is the second of the type in Macedonia, as a thermal power plant on biogas operated **by Elektro Šarri DOOEL** was registered in February by the Energy Regulatory Commission.

Interconnection between Macedonia and Serbia set into operation

January 22

A new 70 kilometre long 400 kV line connecting the power systems of Macedonia and Serbia was launched. The EUR 11 million investment is **a strategic project of MEPSO** (Electricity Transmission System Operator of Macedonia) to improve the safety of the national and regional energy networking, the government in Skopje said.

The ceremony of setting the line from Štip in Macedonia to Vranje in Serbia into operation was attended by MEPSO's general manager Siniša Spasov and EMS Serbia's executive manager for system and market operation Branko Šumonja. The new line will improve security, reliability and operability of the wider region and create conditions for larger amount of electricity exchange, Spasov said. Constant upgrading of the security of the national power system and advancing the connections with neighboring energy system operators are MEPSO's top priorities, he added.

Šumonja said Serbia's power grid operator EMS invested a total of EUR 50 million from donations and own funds in the transmission line Niš–Leskovac–Vranje–Štip. Macedonia's Government has invested EUR 50 million in new power lines and renewing the existing power transmitting network, said Vladimir Peševski, vice-premier for economic affairs. The implementation of the interconnection project, supported by the World Bank, is rather significant for Macedonia, as it now connects the country with four neighbors via five lines, he added.

Metka's subsidiary wins international contracts

December 28

Athens-listed firm Metka said its subsidiary Metka EGN has signed contracts for turn-key engineering, procurement and construction (EPC) as well as the operation and maintenance of seven photovoltaic power production units with a total capacity of **over 116 MW in Puerto Rico and the United Kingdom**.

The contracts add up to EUR 112 million, the company announced. Metka, owner of 50.1% of the subsidiary, is a member of the Mytilineos Group. The largest of the contracts is with Oriana Energy LLC, a subsidiary of independent solar power producer Sonnedix Group, (IPP), for a 57 MW project in Puerto Rico. Together with the EPC for the solar plant, which will be completed in mid-2016, Metka EGN will also provide operation and maintenance services.

Further six contracts have been signed for projects in the United Kingdom with investors including Lightsource and Moser Baer, both existing clients, and Canadian Solar, a new one, the press release said.

Metka EGN is a joint venture with Egnatia Group, **established in October** and focused on utility-scale projects for the global solar power market. The two Greek companies have operations in the Middle East, while Egnatia owns solar parks in Romania and Bulgaria, too. Its portfolio in the Balkans, including Greece, consists of facilities with the capacity between 8.6 MW and 13 MW.

Large industry gets discount for disruption plan

December 30

The country's disruption management plan, aiming to introduce energy cost savings for major-scale industry in exchange for shifting energy usage to off-peak hours whenever required by IPTO, the power grid operator, has been published in the official gazette, portal Energy Press reported.

A so-called transitional supply security fee of various levels is imposed on electricity production stations of all technologies to cover the measure's cost. **Wind energy units will be charged 0.9% of revenue**. Owners of photovoltaic facilities, except for roof-mounted

systems, will be charged 1.8%, small hydropower plants will pay 0.4%, while geothermal and biomass-biogas units' obligations are for 0.3%. Large thermal units, lignite-fired stations, natural gas-fuelled units, and combined heat and power (CHP) facilities will be charged 0.2% of revenue, petrol-fuelled stations will pay 0.1%, and hydropower stations 0.4% of revenue, the report said.

“Owners of photovoltaic facilities, except for roof-mounted systems, will be charged 1.8%, small hydropower plants will pay 0.4%, while geothermal and biomass-biogas units' obligations are for 0.3%.”

If the annual sums accumulated into the fee exceed the amount required to cover the disruption plan's costs, then the power producers will be proportionally reimbursed. For the plan's next step, IPTO will need to establish a registry and stage auctions. The total annual sum to be offered by the plan through auctions will be EUR 50 million. This amount will be covered by the transitional supply security fee to be imposed on producers from renewable energy sources.

Greece raises wind power capacity

January 13



Last year 171.8 MW in new wind power capacity was installed in Greece, and 210.7 MW of wind parks were under construction, according to a report by the Hellenic Wind Energy Association (HWEA or Eletaen). Capacity of 2,150.8 MW was either in commercial use or being tested, up 8.7% from 2014, portal Energy Press reported.

Wind power capacity on non-interconnected islands was 322.6 MW. EDF EN Hellas added 43.8 MW, the EREN Group connected 42 MW, Ell. Tech Anemos (Ellaktor) added 36.1 MW, Protergia increased the capacity by 27 MW, and Terna Energy added 10 MW. Terna was ranked first overall, with 369.6 MW (17.2%), followed by EDF, which had 358 MW (16.6%). Iberdrola Rokas had a capacity of 250.7 MW (11.7%), ENEL

Green Power was next with 200.5 MW (9.3%), while Ellaktor stood at 199 MW (9.3%).

“Total capacity of renewable energy sources to in the interconnected grid rose in November, according to data revealed by Lagie, the electricity market operator.”

Total capacity of renewable energy sources to in the interconnected grid rose in November, according to data revealed by Lagie, the electricity market operator. Wind energy production increased by 4 MW to 1,772.07 MW in November. In November, contracted capacity of interconnected photovoltaic systems remained steady at 3,083 MW, while installed capacity rose to 2,092.56 MW from 2,092.07 MW in October. Capacity remained unchanged for small hydropower units (223.53 MW), biomass-biogas units (51.18 MW), and combined heat and power (CHP) production (100.07 MW), the report said.

Emission rights auctions to fund energy efficiency

January 22



The Ministry of Environment and Energy plans to implement the energy efficiency policy mandated by the European Union by using 40% of funds raised at carbon emission rights auctions, portal Energy Press reported. The remainder will be transferred to the special account for renewable sources, according to the Greek ministry's report to the Regulatory Authority for Energy, the article said. The aim is to avoid the increase in Etmear, the renewables levy in electricity bills, and to reduce it.

The industrial sector has opposed the solution for its share of Etmear and its representatives have been calling for adoption of an upper limit at 0.5% of a company's economic value added. RAE's distribution plan, which came into force in December, was to collect EUR 937 million from Etmear surcharges this year, compared to EUR 1.07 billion from 2015.

CYPRUS

Cystat: Solar thermal systems steadily expand

December 31



Electricity production from renewable sources increased from 807 MWh, recorded in 2004, to an estimated 315.8 GWh in 2014, according to Cystat's annual report issued at the end of last year. The statistical bureau said in the beginning there were no systems connected to the grid, while by the end of the period **gross production of 294.4 GWh went online**, compared to 311.6 GWh from 2013, from a total gross output of 326.9 GWh. Year on year, the production rose from 47 GWh to 82.4 GWh in photovoltaic systems, and it fell from 231 GWh to 182.8 GWh in wind facilities, while output from biomass rose less than 2 GWh to 50.57 GWh.

“**Electricity generation in 2014 was 4.35 TWh, compared to 4.29 TWh from the year before.**”

Heat production from renewable sources **more than doubled from 2000 through 2014 to 3.05 terajoules**, largely dominated by solar thermal systems and their steady rise in capacity and output.

Electricity generation in 2014 was 4.35 TWh, compared to 4.29 TWh from the year before. Total consumption rose from 3.89 TWh to 3.92 TWh, mostly due to increases in industrial and agricultural segments, while slight declines were recorded in areas of domestic and commercial consumption **and public lighting**. The value of electricity consumption was EUR 721 million, compared to EUR 805 million from 2013.

Gross production in the grid of the Electricity Authority of Cyprus rose from 4.25 TWh to 4.3 TWh on the year, while net production increased less, from 4.08 TWh to 4.1 TWh, with losses of 186 GWh and 182 GWh, respectively. Power prices rose from 9.7 euro cents per KWh to 18.66 cents from 2004 through 2014, the report said, and they peaked at 23.91 euro cents in 2012.

Cyprus has role in energy supply to European Union

January 12



This is the year for delivering the Energy Union and Cyprus can play an important regional part, said Maroš Šefčovič vice president of the European Commission, responsible for the Energy Union. “We need a better energy community, we need to look at energy in a different way,” Šefčovič stressed at a press conference in Nicosia at the end of his two-day working visit, portal In-Cyprus reported. Cyprus might be an island, but it doesn't have to be an energy island, he said. He said the Eastern Mediterranean is seen as very important for energy security of the block and that the island country will participate in its development. Šefčovič said the government is dedicated to enlarging the share of renewable energy to meet targets for 2020. He underscored sunny countries like Cyprus and Europe in general can lead in energy from sun and wind, and that innovations are crucial to promote „smart financing for smart buildings.” Šefčovič met president Nicos Anastasiades, responsible ministers and representatives of parliamentary groups for energy, trade, industry, foreign and European affairs.

ALBANIA

Government files charges in ČEZ privatization affair

December 28



Photo: Oshee.al

The Ministry of Energy and Industry completed the audit on the privatization of the electricity distribution network operator (Oshee sh. a.) and pressed charges against **three former ministers** in the government of Sali Berisha, one of his then-advisors and two deputy ministers. Besides Ridvan Bode, Genc Ruli, Florion Mima, Enno Bozdo, Neritan Alibali and Zana Guxholli, charges were filed against former head of commercial services Mimoza Vokshi and other senior officials. According to the audit, **the damage caused to the state is ALL 57.93 billion (EUR 414 million).**

The ministry says the case includes investigations for favors during ČEZ's activity, by failing to take measures in defence of government interests, after the Czech company had its license revoked. Prime minister Edi Rama's government accuses its predecessors for corruption and for the same things that the opposition accuses the government today, Independent Balkan News Agency reported.

In October, the state prosecution has launched **an investigation to determine the role of Arben Seferi**, former chief executive of ČEZ Albania sh. a., Czech state-run company which used to control power distribution in Albania from 2009 to 2012, and two other people. The Supreme State Audit (KLSH) had earlier filed a law suit against the three for abuse of office in 2014 and 2013, resulting in financial damage of EUR 32.04 million suffered by electricity distribution network operator Oshee sh. a., and EUR 5.63 million of state income. On October 14, KLSH said it filed a suit against the current energy minister Damian Gjijnuri and state attorney Alma Hicka. The auditors stated **the amicable agreement** the two officials made in June of last year with the Czech Republic has caused a EUR 479 million damage, while they should have pursued international arbitration.

TURKEY

GGF sets USD 11 million credit line for Odeabank

December 21

Projects of wind and geothermal energy as well as, increasingly, in the photovoltaic sector are in the focus of a new package secured by Green for Growth Fund, Southeast Europe (GGF) for Odeabank. The Istanbul-based financial institution plans to finance mainly renewable energy with the loans worth a total USD 11 million (EUR 1.1 million).

While Turkey's current electricity mix still relies heavily on fossil fuels (coal- and gas-fired plants account for more than two thirds of inland power generation), it holds vast resources in almost all types of renewable energy, GGF said. Projects funded by the facility are estimated to reduce primary energy consumption by up to 12 GWh and carbon dioxide emissions by 2,640 metric tons per year. Odeabank is a subsidiary of Lebanon-based Bank Audi, operating in the Middle East and North Africa. In order to further optimize Odeabank's environmental & social expertise, GGF's technical assistance facility will contribute to the internal training program with additional seminars.

TPI signs wind blade supply agreement with Vestas

January 5

Denmark's Vestas Wind Systems A/S agreed to source blades for its V126 wind turbine from a recently announced factory in Izmir, Turkey, owned by TPI Composites Inc., **SeeNews** reported.

Under the fresh multi-year supply agreement, the United States-based blade manufacturer will be delivering components for Vestas' customers **in the region of Europe, the Middle East and Africa** (EMEA). TPI's blade factory in Izmir is expected to start production in late 2016, Vestas said. The facility will be located on a 10 hectares site and initially be 30,000 square metres with the ability to expand. The company has been manufacturing blades in Turkey since 2012. Currently it is producing such turbine components there for General Electric and Nordex.

Vestas and TPI signed a similar deal in China a year earlier. In December 2014, they agreed for TPI to supply China-made blades for Vestas' V110 machine.

The American company is producing the components under that contract at its facility in Dafeng, Jiangsu province.

Biomass as storage facility in green energy system

January 5



Renewable energy is vast but one downside is that it is not a constant source of energy, Tanay Sıdkı Uyar, president of the Bioenergy Association of Turkey, told Anadolu Agency. The use of biomass energy in Turkey should be increased as it can provide independence from fossil fuels, he stressed. "The sun's energy can be utilized during the day time and wind will blow sporadically, but biomass is more reliable as it can act as an energy storage facility," he added, as quoted by the agency's Energy Terminal.

Biomass, any organic material which has stored sunlight in the form of chemical energy, will allow the sun's energy to be used for heating or electricity even during the night time, he elaborated. With this feature, **there is no need for coal, natural gas or oil**, Uyar argued.

“ Turkey can switch to become a 100% renewable energy country while also decreasing energy use by 50%. ”

As a fuel source, biomass may include wood, wood waste, straw, manure, sugarcane, and many other byproducts from a variety of agricultural processes. Turkey aims to raise the capacity of biomass to 1 GW from over 300 MW by 2023. However, Uyar says the target level is unambitious as the country has the capacity to reach 5 GW in the same period.

"The country should utilize biomass energy even more, the potential and infrastructure is available," he said and added that a target of increasing its share within electricity generation to 30% would be more acceptable. Uyar highlighted renewable energy's

abundance and said there is no scarcity of source. "The share of hydroelectricity is already great; it should not be included in Turkey's 2023 renewable goals. The country has the potential to reach the target without hydroelectricity," he stressed.

Turkey aims to raise renewable energy's share within energy usage to 30%. Renewable energy technology is currently cheap, affordable and found in vast amounts, which is why fossil fuel prices are falling, Uyar said. Turkey is mostly reliant on energy imports for its demand. "Renewable energy has all the necessary qualities to be a solution to the supply demand. Turkey can switch to become a 100% renewable energy country, with efficient energy use, while also decreasing it by 50%," he said.

Efficiency in energy use will lower energy demand and lessen the supply problem's scope, Uyar added. He urged organizations, academicians and students to attend the Irenecon 2016 conference on May 26 to 28 in Istanbul, where they will discuss the possibility of a 100% renewable future for Turkey.

Italian green energy company Exergy thrives in Turkey

January 6

Attracted by Turkey's geothermal energy potential, Italian engineering company Exergy's investment in a turbine production plant in Izmir has made it the **number one supplier of geothermal power generation equipment** in the country, Invest in Turkey portal said.

Exergy's new production facility manufactures turbines for use in combined-cycle geothermal power generation plants. The company's turbines are used **in more than 60% of Turkey's operational geothermal power plants**, the press release said. The company's founder and chief executive Claudio Spadacini said the country's geothermal potential was immense and that Turkey would continue to be the priority market. Exergy sources parts and components from Turkish companies. "Our plant in Izmir has a localization ratio of 60 percent," he said.

Spadacini added Turkey's feed-in tariff for renewables favored locally produced equipment. "Energy projects using locally produced turbines benefit from higher rates when selling power to the national grid. That increases the feasibility of the project," he said. The Italian company also has a regional service center in Turkey, which is likely to become an export hub too, according to Exergy's head. "Our focus is on the Turkish market but exporting to other countries from Turkey can be considered in the future," he noted.

Garanti Bank to increase focus on renewables

January 8



Photo: Garanti

Financing of about \$1 billion was provided for the energy sector last year, out of which 90% for renewables, by Turkey's Garanti Bank, its executive vice president Ebru Dildar Edin told Anadolu Agency. This year the institution will focus on financing green energy projects, **especially solar and wind**, and increasing involvement in energy efficiency, she said, as quoted by AA Energy Terminal.

Garanti Bank targets financing renewable energy projects with a minimum of \$1 billion a year, Edin said. Firstly, the bank closely surveys its own energy consumption, and with constant improvements it aims to lower the harmful effects to the environment, she said. With implementation towards increasing energy efficiency, the bank managed to reduce its total energy consumption by 10% in 2014, Edin added.

“**With implementation towards increasing energy efficiency, the bank managed to reduce its total energy consumption by 10% in 2014.**”

In addition to reducing its own energy demand, the bank finances energy efficiency projects in different sectors but the funds have been limited in this field so far, she emphasized. Edin expressed the need to collectively raise energy efficiency financing. Falling oil prices created uncertainty in the energy market and investors turned to renewables; a sector which is not usually exposed to market risks, she said. Energy has become increasingly important for banks in the last five to ten years, Edin said.

During the same period, a total of over USD 60 billion (EUR 55.1 billion) in financing was poured into the sector in Turkey – EUR 45.92 billion supplied by domestic companies and the rest by Garanti Bank, Edin stated. With the EUR 9.18 billion, the bank gained a 20% market share, she added. As energy will continue to hold a large place in banks' agendas, Edin argued,

wind and solar energy investments are expected to pick up pace this year, leading to renewables topping the banks' lists for investment.

Turkey's geothermal sector seeks incentives hike

January 14

Orhan Mertoğlu, head of Geothermal Association of Turkey, said told Anadolu Agency the country is rich in geothermal potential and should utilize the local source as much as possible. The sector is seeking an increase in government incentives, AA Energy Terminal reported.

In hydrothermal, or hot water, the country's potential is 2 GW, and with improved hot dry rock technology, **the country can unearth 15 GW**, Mertoğlu said, adding this requires government support. State incentives for geothermal electricity are 10.5 US cents (9.64 euro cents) per KWh. He urged the government to take action and raise the level to 13.77 euro cents.

Mertoğlu also stressed the importance of raising the guarantee of the government's purchase contract period to buy geothermal electricity. In European Union member countries, the length is 20 years, whereas in Turkey it is 10 years, he reminded. **“The current purchase guarantee will end in 2020.** The government needs to announce that the time has been extended to at least 20 years as in the EU countries. With the required improvements, **investors will be encouraged** to make more investments, look for fields and start developing them,” Mertoğlu underlined.

“**Globally, Turkey is in the top 10 for geothermal electricity use and in the top five for heating-related usage.**”

He also said that through increasing the use of geothermal energy, it is also possible to reduce dependence on energy imports. Globally, Turkey is in the top 10 for geothermal electricity use and in the top five for heating-related usage. Currently 160,000 houses are heated with the source and the number can be increased to one million, Mertoğlu said. In Europe, geothermal heating is incentivized but there is no government support in Turkey, he stressed.

The government should grant 25% of project costs in the geothermal heating field to increase investments, Mertoğlu argued. He added the field **lacks proper administrative and legal regulation.** As part of the country's renewable energy goals for 2023, Turkey aims to reach 1 GW in geothermal energy. Mertoğlu

expressed his confidence that the country will reach its 2023 geothermal target. Eight years ago the country had 15 MW and now it increased to 650 MW; it can even reach 2 GW with added incentives, he said. During the last year's geothermal conference in Australia, Turkey was declared as an example country for showing the highest increase in geothermal capacity, he reminded.

EBRD, CTF unlocking Turkey's energy trapped underground

January 14



Image: EBRD

Aiming to tap Turkey's significant geothermal energy potential, the European Bank for Reconstruction and Development (EBRD) and the Clean Technology Fund (CTF) are launching a programme to support exploratory drilling investments. The endeavour announced at the 35th Energy Efficiency Forum in Istanbul includes finance and advice to private developers.

Geothermal energy projects face high risks particularly in their initial stages, including high investment costs and in development and limited access to project finance once drilling has confirmed the resource, EBRD said in a press release on its website. **The Pluto initiative, worth USD 125 million** (EUR 114.55 million), helps minimize the risks, according to the statement. CTF provides EUR 22.91 million.

“Phase one will finance geothermal exploration, drawing on the funds provided by the CTF.”

Pluto is structured in two phases. Phase one will finance geothermal exploration, drawing on the funds provided by the CTF. If it proves successful, EBRD will be available **to finance the final stages** of the drilling and the construction of the power plant. Pluto is for five new geothermal power plants with a combined capacity of at least 60 MW, generating more than 450 GWh of renewable electricity per year. It will increase the amount of installed geothermal capacity in Turkey by more than 10%.

Turkey has pledged to develop 30% of its total installed capacity from renewable sources by 2023. **About 600 MW of geothermal capacity** has been installed in the country – equivalent to 13% of the potential. The resources are mostly concentrated in western Anatolia, with significant potential also identified in central and eastern parts of the region.

Adonai Herrera-Martinez, senior manager in the bank's energy efficiency and climate change team, said: "The EBRD is the first international financial institution to help private geothermal energy developers bridge the equity gap." Previously, it has financed six geothermal facilities through Turkish commercial banks. **It has also financed Efeleer**, the largest geothermal power plant in Turkey and the second largest in Europe.

Phoenix Solar, partner win 4.9 MW project

January 20

German solar system integrator Phoenix Solar AG said it will build four solar power plants with a total capacity of 4.9 MW in Turkey in partnership with Asunim Yenilenebilir Enerji Teknolojileri, **SeeNews** reported. The companies have been jointly awarded **the contract by a Turkish governmental enterprise.**

The solar arrays, which will use Jinko polycrystalline solar modules and SMA inverters, will be located in the Incesu Industrial Zone in Kayseri, central Anatolia. The power generated will be sold to the grid. Phoenix Solar will be responsible for all the engineering and procurement work, while Asunim, which has already conducted the earlier project development, will do the actual construction.

Klaus Friedl, head for Middle East at Phoenix, said that in cooperation with strategic partner Asunim, the company now had power plants totalling almost 13 MW under construction in Turkey. «We see this new project along with a promising sales pipeline as an excellent basis to further grow our activities in the entire region,» he added.

London airport buys solar panels made in Turkey

January 20

Southend Airport, located east of the capital of Great Britain, is installing solar energy panels from Turkey, the company leading the project announced, as reported by Anadolu Agency's Energy Terminal.

Over 9,500 high-efficiency solar panels were produced in Istanbul, where Chinese company CSUN established **the country's largest solar panel factory** in 2013, with 350 MW of capacity. It was initially focused solely on cell manufacturing and it supplied European solar module manufacturers. CSUN added solar module production capacity of 1.2 GW to its portfolio. It has sold over 1.4 GW of modules around the world, according to the statement.

The solar plant, with 2.5 MW of installed capacity, plans to come online in the near future. The plant is expected to generate 20% of the airport's annual electricity needs. With the solar panels, the airport is estimated to prevent 1,053 tonnes of carbon emissions per year.

Sustainable energy facility launch event, awards

January 25

The European Bank for Reconstruction and Development, in cooperation with the European Investment Bank, the European Union and the Turkish Ministry of Energy and Natural Resources will promote sustainable energy financing in Turkey through the Mid-size Sustainable Energy Financing Facility (MidSEFF).

The launch event will also mark the **third stage of financing** for MidSEFF, which funds solar, hydropower, wind, geothermal and resource efficiency projects through Turkish banks, the bank said. The event will bring together senior representatives from the Ministry of Energy and Natural Resources, partner banks, private companies who have obtained financing under MidSEFF, and non-governmental organisations.

The gathering will take place on February 10 in hotel Hilton Istanbul Bosphorus. The event will be opened by **Jean-Patrick Marquet**, EBRD's country director.

Net metering – photovoltaic sector's only hope

December 22



Many member countries of the European Union are increasing their reliance on fossil energy, much of it imported, despite large domestic renewable resources and the fact that the European Union (EU) has pledged to develop renewables totalling 20% of all generation capacity before 2020 and 50% of all capacity before mid-century. As Lee Buchsbaum outlines in an article in Powermag, each of the 28 member nations enjoys wide latitude to chart its own course. "A growing number of economists and researchers believe the nations are **missing out on an incredible economic opportunity** as well. Nowhere is this more evident than in the sun-rich but economically poor southern nations of Italy, Greece, and Croatia," Buchsbaum said.

The author concludes prospects offered by the introduction of net metering represent the only hope of reviving Greece's photovoltaic sector, which collapsed with the course reversed to lignite. Net metering will enable prosumers – consumers who generate their own power and deliver it to the grid, to offset the power from the utility in a billing period. Greece offered generous subsidies before the crisis, when there was a complete policy overhaul with retroactive tariff reductions, the article notes. Household tariffs are EUR 11.5 euro cents per kWh, while savings through net metering reaches 13 cents per kWh, the article adds.

Meanwhile, short-term forecasts for expansion in EU's south are "cloudy at best," he stressed. Many players in the region, among them owners of conventional power stations, have succeeded in portraying photovoltaic systems as costly options, said Eicke Weber, director of Germany's Fraunhofer Institute for Solar Energy Systems and university professor of physics and solar energy. Nowadays, however, it has become clear that

solar energy is ready, costs are low, and funding is available in many cases – the only thing missing in Germany and in a good part of Europe is political will, he added.

Market penetration of solar power systems was 7.6% in Greece, 8% in Italy, and 7% in Croatia towards the end of last year, the article notes. The government in Zagreb began awarding a handful of exploration and drilling permits for natural gas in the Adriatic Sea while freezing new grid connection licenses for solar installations, the author said. Croatia had 33.28 MW of solar photovoltaics early last year, compared to just 89.72 kW in December 2012, but the sector isn't expected to grow drastically anymore, Buchsbaum said.

The region is passing on a great opportunity for job creation and reduction of the dependence on energy imports, according to [studies like the one published recently by Greenpeace](#). Findings by a team from Stanford University show the three particular countries, along with 136 other nations, could meet [all energy needs from renewable sources by 2050](#), the Powermag article's author reminded.

EC's contracting parties to cap pollution from plants

January 7

Bosnia and Herzegovina, Kosovo, Macedonia, Serbia and Ukraine submitted national emission reduction plans (NERPs) to the Energy Community (EC) Secretariat by the deadline of end-2015.

This marks a highly important milestone in preparing for the implementation of the Large Combustion Plants Directive (as amended by Decision 2013/05/MC-EnC of the Ministerial Council), which is [to commence on January 1, 2018](#). The directive sets maximum limits for three pollutants (sulphur dioxide, nitrogen oxides and dust), EC said. The NERPs, as an implementation option, set overall ceilings for the conglomerate of combustion plants brought under their scope, according to the press release.

“*The directive allows operators of combustion plants to subject their installations to the so-called limited lifetime derogation via a written declaration by the same deadline.*”

The secretariat has nine months to analyze the plans and provide comments, if necessary. Furthermore, the directive allows operators of combustion plants

to subject their installations to the so-called limited lifetime derogation via a written declaration by the same deadline. This means that for a maximum of 20,000 operational hours between January 1, 2018, and December 31, 2023, the plant can be kept in operation while not meeting the emission limit values of the Large Combustion Plants Directive. However, once the hours limit is reached or, in any case, from January 1, 2024, the facility must either be shut down or continue operating as a new plant – and meet the more stringent requirements on emissions into the air. Bosnia and Herzegovina, Montenegro, Serbia and Ukraine informed the secretariat of such written declarations by operators in their territories. The EC Ministerial Council has to approve the list of opted-out plants.

Call for entries open for EU Sustainable Energy Awards

January 12



Innovative and effective projects in energy efficiency or renewable energy can win a European Union Sustainable Energy Award at EU's Sustainable Energy Week (EUSEW).

It takes place every year in June. A month-long series of activities – including conferences (from June 13 to 17), local sustainable energy events and the EU Sustainable Energy Awards is dedicated to building a secure energy future for Europe. The awards aim to [promote energy saving and renewable energy projects and initiatives](#). The project must be ongoing or concluded after June 30 of last year.

The project must be based in the EU, Iceland, Norway, Albania, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia, Montenegro, Serbia, Turkey, Israel, Moldova, Switzerland, Faroe Islands or Ukraine.

There are several categories: consumers – for actions that lead to the behavioural change of individual energy users, public sector – for exemplary initiatives lead by public and non-profit organisations, businesses – for forward-thinking firms, and the Citizens' Award

– for the endeavour which best captures the public imagination.

The projects should have a positive public opinion and be replicable across Europe. They should be innovative with original features likely to attract EU media, they should have a measurable impact in that they help reduce energy use or bring online renewable energy which will contribute to the EU's climate and energy goals. For example, projects should state final energy saved in KWh per year, the generation of renewable heating, cooling and electricity produced, carbon dioxide emissions avoided per year or number of jobs created. Research projects are not eligible.

Applications open for Energy Community Summer School

Januar 18



The application process is underway for the first Energy Community Summer School. The multidisciplinary training programme is aimed at providing highly motivated post-graduate students and young professionals with a strong understanding of the **full complexity of the energy sectors** as well as giving them a platform for exchange and contribution to the energy debate, the Energy Community said. Researchers from all energy-related disciplines, people from governmental institutions, companies, think tanks and the civil sector from the Energy Community region are invited to apply.

The school will cover scientific, legal, economic, cultural, political as well as technical aspects of energy production, supply and consumption, with a particular focus on energy sectors in transition. The interactive training sessions will be led by renowned academics and professionals with decisive expertise in the energy sector.

The first Energy Community Summer School will take place in Tirana from September 3 to September 10. It is organised in close collaboration with the Open Regional Fund for South-East Europe – Energy Efficiency (ORF-EE), funded by the German Federal

Ministry for Economic Cooperation and Development (BMZ), and implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). It will be hosted by the Polis University.

The application deadline is March 31. Participation is free of charge. To find out more about the Summer School, including the selection criteria and registration process, please consult the link below.

Three countries complete energy consumption surveys

January 22



The first contracting parties of the Energy Community have completed energy consumption surveys under a technical assistance project financed by the Energy Community Secretariat. Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia and Montenegro submitted the survey results **to the International Energy Agency**. The results now feature in the IEA's energy efficiency country practices database as examples of best country practice, Energy Community said.

Technical assistance will be extended to the other contracting parties once they complete the necessary preparations. The surveys targeted electricity consumption in the services and households sectors using Eurostat's manual for statistics on energy consumption in households as a guide. Energy Institute Hrvoje Požar (EIHP) provided guidance and consulting. Experts from the participating institutions – the Agency for Statistics of Bosnia and Herzegovina (BHAS), the State Statistic Office of Macedonia (SSO) and the Statistical Office of Montenegro (Monstat) presented the methodology, applied procedures, lessons learned and key challenges at the Energy Community Statistical Workshop on December 14 in Vienna.

Each of the participating institutions has published the main outcomes of the surveys on their website. The publications for BiH and Macedonia are written both in the local language and English.

UPCOMING EVENTS

February 10-11, 2016

2nd Hydro Tech Albania
Tirana, Albania

February 25, 2016

Possibilities of Renewable Energy Sources Application
Zagreb, Croatia

March 9-10, 2016

Balkan Energy Leaders
Belgrade, Serbia

March 14-15, 2016

Energy Risk Summit 2016 Balkans
Sofia, Bulgaria

March 20-22, 2016

International Conference on District Energy
Portoroz, Slovenia

April 5-7, 2016

South-East European Exhibition on Energy Efficiency and Renewable Energy
Sofia, Bulgaria

April 15, 2016

4th Investing in Turkey Forum
London, Great Britain

April 20-21, 2016

RENEXPO Western Balkans
Belgrade, Serbia

September 3-10, 2016

Energy Community Summer School
Tirana, Albania

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