

# BALKAN GREEN ENERGY NEWS

APRIL 2015

*Balkan*  
**Green Energy**  
*NEWS*

The most comprehensive coverage of green energy news from the Balkans





## Content

---

Interview	03
Serbia	07
Kosovo*	12
Montenegro	12
Croatia	14
Bosnia and Herzegovina	15
Slovenia	18
Romania	19
Bulgaria	21
FYR Macedonia	22
Greece	23
Albania	23
Cyprus	25
Turkey	26
Region/EU	28
Events	30

# INTERVIEW



*Integrated energy efficiency policies and measures covering the full energy chain are missing*

*Photo: Energy-community.org*

## Janez Kopač

Director of Energy Community Secretariat

### Renewables alter market game

More energy generated at distribution level, from renewable sources, is requiring a system overhaul in operation and regulation, says Janez Kopač. Balkan Green Energy News asked the Director of Energy Community Secretariat about the organization's stance on the Energy Union, the members' progress towards common goals, electricity pricing and red tape the investors and producers are facing. Kopač claims artificially low tariffs for end customers, intended for maintaining social peace, do not even fulfill that purpose. Vulnerable customers should be supported through social schemes, he says and adds "capital will flow where it is rewarded," since investment in renewable energy requires commitment to related targets.

**Is the promotion and development of renewable energy and energy efficiency satisfactory for Balkan region countries - both EU country members and members of Energy Community - to reach their "20-20-20 targets"?**

The Renewable Energy Directive and the binding 2020 targets for the Energy Community Contracting Parties (CPs) were adopted in 2012. Since then our members have started to transpose the requirements for the creation of a conducive investment climate for renewable energy producers in national legislation. This occurred at a slow pace in the first years but we believe the countries could make more significant progress over time, since the administrative, i. e. permitting, authorization and connection to the grids procedures will be more streamlined and coordinated amongst the institutions in charge. Unfortunately the implementation of sustainability criteria for biofuels is lagging behind.

Based on information submitted by the CPs, the Energy Community Secretariat is preparing the first progress report on the promotion of renewable energy in the Energy Community, which will be submitted to the Ministerial Council in October.

In the energy efficiency field all CPs are working on implementation of their National Energy Efficiency Action Plan and achievement of the energy saving targets of at least 9 % by 2018 (EU 20 % energy efficiency target is not applicable in the Energy Community). Despite the progress in this area (mainly supported by international donors and international financial institutions (IFIs), many CPs still face obstacles due to underdeveloped legislative frameworks (especially related to energy efficiency in buildings), weak institutional capacities and lack of funding for energy efficiency programmes. For the effective implementation of many measures, additional reforms are needed. The Energy Community Secretariat is working on adaptations of the directive 2012/27/EU on energy efficiency by the end of 2015, which will introduce stricter requirements and new obligations for utilities and the public sector as well as stronger promotion of cogeneration in the Energy Community.

**What is your assessment of the power pricing policy in the Balkan region, particularly in the Energy Community member countries, and in relation to the attractiveness of investing in renewables?**

The governments in the region are maintaining artificially low energy prices for end customers with the intention to keep social peace. Yet, they are not subsidizing the ones in need, but the wealthy customers, who can afford the real electricity market prices. We have stressed many times that only market based electricity prices will ensure the adequate signal for new investments in the energy sector. Vulnerable customers should be supported through social schemes.

Investment attractiveness is about the trust in the energy policy of a country that it will create adequate returns for the investors, considering the risks on that market, and provide a predictable and stable legal and regulatory framework. Considering the status quo, the CPs have still to convince investors that they are committed to meeting the renewable energy objectives that they signed up to. Yet, all the CPs are improving slowly but surely.

**Which are the leading Energy Community Contracting Parties in the implementation of common standards and legislation? Could you name some examples of best practices?**

It is too early to name a leading country that can be presented as a complete success story in renewable energy because the implementation is yet to be finalized in all members of the Energy Community. Serbia is a good example of a country that adopted renewable energy legislation but investments in renewable energy projects have still to materialize. On the other side, renewable energy capacities have increased in Albania due to several independent hydro producers but the legal and regulatory framework is far from being complete. In Moldova there is currently an EU-financed project called 'Energy and Biomass' with the aim of increasing the use of renewable energy sources, in particular for heating public buildings and households in rural areas while reducing dependence on imported gas.

Montenegro is successfully implementing several projects in the energy efficiency area, including via a combination of loan and grant schemes (supported by the World Bank and KfW development bank), for reconstruction of public buildings, and three ongoing projects in households: 'Montesol' (interest-free credit line for installation of solar-thermal systems for households, recently extended to service/ tourism sector), 'Energy Wood' (interest-free credit line for installation of heating systems on modern biomass fuels) and 'Solarni katuni' (providing subsidies for installation of photovoltaic solar systems in remote summer farmhouses on pasture lands). Government of Former Yugoslav Republic of Macedonia, with the support of USAID, is implementing an energy efficiency

residential project with already 30 collective housing buildings having been reconstructed. In 2014, the state budget subsidized 30 % of the investments for installation of solar water heaters to 606 households.

**What can investors in renewables in Southeastern Europe do to overcome the obstacles between themselves and the power grid? Which good examples in regulation reform can be used?**

The network operators are obliged to publish the rules for connection to the networks and to provide any new renewable electricity producer detailed and comprehensive information related to the cost of connection, a timetable for processing the request for grid connection as well as a reasonable timetable for any proposed grid connection. In general, the transmission and distribution systems operators of the Energy Community do not have experience with integration and operation of the system with intermittent energy, and sometimes they are pretending the problem is a lack of network capacity for connection of new renewable energy capacities. In the cases where the lack of capacity is a reality, the network operators have to make plans on how and where to invest in the development of the networks to accommodate more renewable capacities into the grids to achieve the 2020 objectives. These investment plans are to be adopted by the national regulators and here we want to see a more active role for the regulators, which have to regulate, monitor and enforce non-discriminatory, objective and transparent rules for the access and connection to the grids for new renewable energy sources (RES) producers. We also observe that the existing balancing rules are not adequate for the systems with renewable energy and these rules have to be revised accordingly by the transmission system operators and adopted by the regulators.

**“Emergence of “prosumers” (customers who also produce electricity) is changing the paradigm that electricity flows from large power plants through high voltage transmission networks to low voltage distribution. Grids are becoming more active, injecting electricity to transmission.”**

On the other side, the emergence of “prosumers” (customers who also produce electricity) is changing the paradigm that electricity flows from large power plants through high voltage transmission networks to low voltage distribution and then is supplied to end customers. The distribution grids are becoming more active, injecting electricity to transmission networks

during some hours of the day. The operation of the system with more renewable energy generated at distribution level is requiring a change of the entire set of regulations for system operation and markets. The deployment of smart grids will facilitate the demand side participation in the market while contributing to higher uptake of renewable electricity in the system.

### What is the status of electricity generation Projects of Energy Community Interest (PECI), aimed at contributing to the renewable energy targets?

The implementation of PECI aimed at contributing to the renewable energy targets are ongoing. These are seven hydropower projects and one wind power project. The secretariat has developed a **PECI monitoring system** based on the inputs from the Western Balkans Investment Framework (WBIF) and the Neighbourhood Investment Facility (NIF).

“Serbia is a good example of a country that adopted renewable energy legislation but investments in renewable energy projects have still to materialize.”

### What has changed for Bulgaria, Romania and Croatia in the renewables sector since they joined the EU?

Bulgaria and Romania adopted the Renewable Energy Directive and targets in 2009 with all the other 27 EU Member States at that time. Croatia agreed with the European Commission its 2020 renewable energy sources targets already before entering into the EU in 2013 and all three of them have made progress to meet the interim trajectories to 2020. Unfortunately, the support schemes for renewable energy in Bulgaria and Romania did not have a built-in degression mechanism to account for the decrease in costs of technologies. These schemes have been subsequently severely modified by policy intervention. Many projects were brought to a halt and these countries became less attractive for new investments. Decision makers took away some lessons learnt from these experiences on how to create a predictable and stable legal and regulatory framework with a built-in sliding scale of support correlated with the costs of newly commissioned renewable capacities, given the obligations to be met in 2020.

### In what way is the Energy Union initiative going to affect Energy Community's activities and what is the future position of renewables in such integration?

The Energy Union proposes to strengthen the Energy Community to ensure effective implementation of the European Union's energy, environment and competition acquis, energy market reforms and incentivizing investments in the energy sector with the ultimate goal of integration of European Union and Energy Community energy markets. Renewable energy is part of the energy acquis and it will continue to be that after 2020, contributing to reducing the energy dependence of the Energy Community, creating jobs and growth and converging with European Union's climate change policies. Also, creation of day-ahead and intra-day liquid electricity markets in the region is key to effective implementation of the electricity acquis and integrating renewable energy that will allow further coupling with European markets. We will work with all stakeholders to make all this a reality.

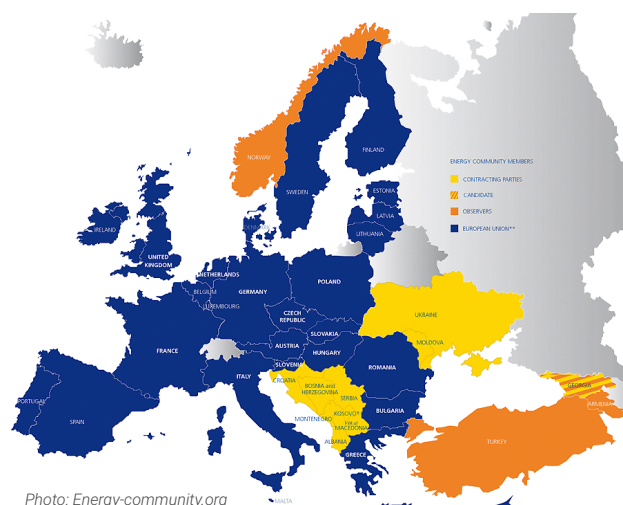


Photo: Energy-community.org

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.  
 \*\* 19 of the 27 EU Member States hold a Participant status according to Article 95 of the Energy Community Treaty, the country names of which are marked in bold on the map.

### You have been stressing the importance of energy efficiency and the related challenges in the region. Have there been improvements in transmission systems and households?

The Energy Community currently has 3 energy efficiency directives in force, focused mostly on energy end-use efficiency (Energy Services Directive, Energy Performance of Buildings Directive and the Energy Labelling Directive). However, integrated energy efficiency policies and measures covering the full energy chain are missing. Many national energy efficiency action plans didn't include measures in the supply, transmission and distribution. This will be improved with adoption of the 2012/27/EU directive on energy efficiency in the Energy Community, including promotion of obligatory assessment of the energy efficiency potentials of the gas and electricity infrastructure and promotion of transmission and distribution of electricity from high-efficiency cogeneration. Adoption of this directive is planned at the next Ministerial Council, in October in Tirana.

On the other side, the household sector is commonly targeted by national energy efficiency awareness-raising measures and financial instruments for the retrofit of existing buildings (subsidies and loans, energy services). Development of energy audits, energy certification of buildings and implementation of energy labelling schemes help consumers to choose energy-efficient products. To further promote activities in this area, the European Bank for Reconstruction and Development in cooperation with the secretariat is currently preparing a study to develop recommendations for designing an integrated residential energy-efficiency programme in the Western Balkans.

**One of Energy Community's objectives is to enhance competition. Has the public-private partnership proved to be a good model for renewable energy and energy efficiency projects and are there other frameworks?**

Public-private partnership is only one model that can be used for renewable energy projects depending on the type of resource, technology and project promoter. In Western Europe at the level of municipalities, a new model has emerged as being quite successful – the energy cooperatives. These cooperatives own and operate wind farms, bioenergy and photovoltaic farms with local and regional scope. There are many regions or municipalities in Europe where they adopted renewable energy targets.

**“Public-private partnership is only one model that can be used for renewable energy projects depending on the type of resource, technology and project promoter.”**

The emergence of new independent power producers will increase competition. Existing market rules, typically dominated by a single incumbent company, need to be adapted to this new environment.

Given the high level of public debt in many CPs and limits on public borrowing capacity, the secretariat is promoting public private partnerships and involvement of private sector capital and expertise in implementation of public energy efficiency projects (e. g. retrofit of public buildings, public lighting etc.). The ongoing Regional Energy Efficiency Programme, managed by EBRD in cooperation with the Energy

Community Secretariat, supports public authorities in Western Balkans to improve the regulatory framework and prepare energy service company (ESCO) projects.

**Insufficient availability of information has been one of the most frequent non-financial barriers in renewable energy and energy efficiency promotion. Do you believe that projects and media such as Balkan Green Energy News can contribute to making the topic go mainstream?**

The main providers of information about renewable energy policies, laws, rules, regulations and measures have to be the institutions in charge of renewable energy, which comprise a large spectrum of public bodies, from energy to spatial planning, construction, agriculture, water, transport, and environment. Transparency of information has to be provided on a non-discriminatory basis to all stakeholders. Without any doubt, raising awareness about the benefits of renewable energy and energy efficiency measures is key for the future development of the sector.

I wish you a lot of success with your publication, which provides added value for all the concerned stakeholders.

## Research of renewable energy in cooperation with the UAE's Masdar Institute

03/03/2015

Ministry of Mining and Energy called on Serbian scientific research institutions to apply for joint renewable energy projects with Masdar Institute from the United Arab Emirates, owned by Abu Dhabi Future Energy Company. All applications received by March 27 are to be sent to Masdar Institute for consideration. The cooperation, based on a memorandum from 2013, shall include exchange of experts with the institute and joint scientific research in both countries. Contracts are expected to be signed by June 1, the ministry said.

## EUR 1 million for energy efficiency projects

05/03/2015



*Nebojša Malenković, head of Capital Investments Administration of Autonomous Province of Vojvodina*

Nebojša Malenković, head of Capital Investments Administration of Autonomous Province of Vojvodina, presented the potentials for the organisation's cooperation with local authorities and public institutions at the forum on 'Energy Efficiency in Municipalities - Implementation of European Regulations and Standards and the Possibilities for Project Financing' in the town of Kanjiža, reported Serbian media.

The administration shall finance programmes and projects through calls for applications and grant

funds for construction, reconstruction, adaptation, readjustment, add-on construction and capital maintenance of buildings and infrastructure objects, project planning and equipment procurement.

**“ The Autonomous Province of Vojvodina provided RSD 120 million (EUR 1 million) from the 2015 budget to grant to energy and energy efficiency projects. ”**

The Autonomous Province of Vojvodina provided RSD 120 million (EUR 1 million) from the 2015 budget to grant to energy and energy efficiency projects, he said. Local authorities and public institutions from Vojvodina may apply.

## Loan for energy efficiency for farmers and SMEs

06/03/2015

Banca Intesa has offered registered agricultural estates, entrepreneurs and small enterprises energy efficiency loan, developed in cooperation with the KfW Development Bank. Maximum amount of the energy efficiency loan is EUR 300,000 in RSD equivalent, with up to 5-year repayment period and a 5.9% fixed annual interest rate.

The funds will be available to all interested farmers, entrepreneurs and small enterprises, regardless of whether they are the Bank clients. The loan funds can be used to replace the current agricultural machinery, invest in heating systems and improvement of insulation of facilities.

This loan product is the last of a series of loans that Banca Intesa has offered to clients within KfW loan facility amounting to EUR 20 million in total, intended for improvement of energy efficiency in Serbia.

## Supply and demand for biomass goes online soon

06/03/2015

Serbia may soon introduce its first biomass market on the internet, said Miloš Banjac, assistant minister of mining and energy, responsible for energy efficiency and renewable energy sources, EurActiv.rs reported.

These days details are being discussed about the intention to show the current supply and demand for biomass in Serbia in one place for the first time, he said in the Serbian Chamber of Commerce at a discussion about a project for using biomass.

According to Banjac, **the biomass market is part of a USD 30 million project with United Nations Development Programme.** The government is cooperating with international institutions in introducing several programmes, including introduction of biomass as fuel for district heating, he stated.

Banjac said the estimate of biomass potential in Serbia is 2.2 million tons of oil equivalent and that most of it is agricultural waste. Biomass from wood is close to its sustainability limit and increasing its usage isn't possible without more reforestation, he said. According to him, the difficulty in expanding the usage is that the European Union rules forbid turning biomass into fuel if food can be produced from it, starting from 2017.

## Elicio's two wind parks in Alibunar remain in the pipeline

06/03/2015



Representatives of Elicio and local authorities

Representatives of Electrawinds confirmed they are committed to building two wind parks, Alibunar municipality website said. Ludo Vandervelden and Nicolas Bruyonooghe, CEO and development manager of Elicio NV, the company that took over Electrawinds' projects in Serbia, visited the municipality seat and said it is a good place for investing, as is the whole of Serbia.

„As a socially responsible company, we shall try and support local community's activities. We are certain

our investments will be of an exceptional significance for the municipality, having in mind the **investments are worth more than EUR 80 million**,” Elicio – Electrawinds said in a press release.

**“ Company Elicio NV took over Electrawinds' wind farm projects in Serbia and confirmed commitment to build two wind farm with investment exceeding EUR 80 million. ”**

Intensive works on Alibunar wind park, with 4 turbines and the capacity of 8 MW, will begin by the end of the year, while the Alibunar facility project, with 21 turbines and 42 MW, starts in 2016, Vandervelden said.

## IMF's 15 percent electricity price hike requirement in agreement with the state

12/03/2015



The head of the International Monetary Fund's mission to Serbia Zuzana Murgašová said 15 percent electricity price hike was part of the agreement with the government, as **stated in a memorandum which the country submitted** before the deal was closed, Balkans.com quoted reports by Serbian media.

Asked by Tanjug how she sees the fact that officials in Serbia are announcing an electricity price increase after April 1, she said that this matter would be **a topic of the next agreement review** some time in mid-May. Potential delays in the search for a solution to the problem of Petrohemija petrochemical complex, Azotara fertilizer plant and chemical manufacturer and distributor MSK will also be a topic of the talks, Murgašová said and expressed the hope that the government would find a solution to the companies by that time.

## Regulation book opens 50.5 kW capacity for solar power

10/03/2015

Ministry of Mining and Energy registered the **temporary preferential status of two power producers ceased to exist**, as the deadline for acquiring the permanent status expired. Therefore, according to law, the free capacity has increased by their facilities' installed power, the statement published on the ministries website said. A new regulation document was adopted and entered into force on March 14, adding the determined 50.5 kW of open capacity for solar power production in units of up to 30 kW.

## Energy and renewables in focus of bilateral cooperation with Czech Republic

12/03/2015



Czech Republic deputy minister Vladimír Bártil

Mining and energy minister Aleksandar Antić met on March 11 a delegation from the Ministry of Industry and Trade of the Czech Republic, headed by deputy minister Vladimír Bártil.

The two sides agreed there was progress in the joint mining projects of Ćirikovac, Soko and Štavalj, the Serbian ministry said. Both counterparts expressed interest in hydro power plants construction on the river Drina. The delegation came to Belgrade for the 8th meeting of the Joint Committee for Economic Cooperation between Serbia and the Czech Republic.

At the Business Forum Serbia - Czech Republic at the Chamber of Commerce and Industry of Serbia (CCIS) a day later, the chamber's president said Marko Čadež said **potentials for cooperation are in energy, renewable energy**, mining, agricultural machinery, production of auto parts, food, textile, wood processing industry, tourism and cooperation between small and medium-sized enterprises.

## RENEXPO Western Balkans opens its gates for the second consecutive year in Belgrade

15/03/2015



International renewable energy and energy efficiency trade fair and conference RENEXPO Western Balkans will be held in Belgrade on April 22-23 for the second consecutive year following the success of last year's event. **RENEXPO Western Balkans** will gather both European and regional renewable energy and energy efficiency experts.

Following the introduction of new energy law in Serbia back in December last year, the event's timing is the right one for introduction and presentation of all relevant changes and new investment and development opportunities. More than 200 available projects will be presented in the RENEXPO® Investors-Business-Lounge accompanied by experts in finance, grid, insurance and project development and interpreter-service.

The patron of the trade is again Serbian Ministry of energy and the German Embassy in Belgrade. The organizer expects around 3.000 visitors, 80 international exhibitors and 300 renewable energy and energy efficiency related workshops participants.

## Reservoir receives location permit for Brodarevo 2 hydro project

16/03/2015

Reservoir Capital reported that the Ministry of Mining and Energy has granted the location permit for the company's 33.1 MW Brodarevo 2 hydroelectric project on the Lim River in southwest Serbia. The permit is valid for one year and allows the company to undertake preparatory work on the project, encompassing the temporary passage over the river, site access roads and river diversion.

Miljana Vidović, president and CEO of Reservoir, commented the permit allows for construction work to begin as the company awaits the building permit for the dam and power plant. This is a vote of confidence in Reservoir from the Serbian government to build the first Greenfield hydro project over 10 MWs in over 40

years, she said. The company said it is in talks with Italian and international groups to secure finance, construction and operating partners to advance the project to completion.

*“ Reservoir Capital reported that the Ministry of Mining and Energy has granted the location permit for the company's 33.1 MW Brodarevo 2 hydroelectric project on the Lim River in southwest Serbia. ”*

Energoprojekt hidroinženjering completed a feasibility study for both Brodarevo projects in 2012, each designed with an average installed flow of 150 cubic metres per second. The company said that through its partners in Italy it is engaged in discussions with a number of Italian and international groups, to secure finance, construction and operating partners.

### **BioRES project officially launched** 23/03/2015



*BioRES project team*

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH in partnership with eight other organizations including **Serbian National Biomass Association (SERBIO)** started a BioRES – Sustainable regional supply chain for woody bioenergy project which supports establishment of regional models for wood biomass supply in Croatia, Bulgaria and Serbia. Goal of the project is to establish and strengthen wood biomass supply chains in mentioned countries with introduction of innovative Biomass Logistic and Trade Centers (BLTC) concept. The project has received funding from the **European Union's Horizon 2020 research and innovation programme**.

BLTC functions like intermediary between participants in wood biomass supply chain, in between supply and demand, and can be regionally or locally organized,

with optimal logistics for different biomass based fuels of standardized quality. BLTC existence overcomes market barriers and reduces start up financial risks in wood biomass utilization. BioRES project plan is to support establishment of 6-8 BLTCs in Croatia, Bulgaria and Serbia, until June 2017.

Professional and technical support in project implementation in BLTCs feasibility studies and business plans and biomass market development is provided by: European Biomass Association (AEBIOM), Austrian Landeskammer für Land und Forstwirtschaft in Steiermark (LWK Steiermark), German Centrales Agrar-Rohstoff Marketing-und Energie-Netzwerk e.V. (CARMEN), Finnish Luonnonvarakeskus (Luke), Slovenia Energy Agency of Savinjska, Šaleška and Koroška Region (KSSENA). Partner organizations that will work on establishment of BLTCs in the beneficiary countries are: North-west Croatia Regional Energy Agency (REGEA), Bulgarian National Biomass Association (BGBIOM) and Serbian National Biomass Association (SERBIO).

*“ Goal of BioRES project is to establish and strengthen wood biomass supply chains in Croatia, Bulgaria and Serbia with introduction of innovative Biomass Logistic and Trade Centers (BLTC) concept. ”*

Project officially started on January 1, 2015, and Kick off Steering Committee of the Project with representatives of all partners involved was held on February 5-6 in Freising, Germany.

### **EnerTech Balkans convenes wind and hydro experts and managers** 25/03/2015



*Branslava Jovičić from Center for Promotion of Sustainable Development and Sandra Glisic, owner of SGE Consultancy at EnerTech Balkans*

Third annual two-day **EnerTech Balkans conference and exhibition** was organized in Belgrade's Hyatt hotel and gathered hydro and wind energy experts and company representatives, regulators from the region, European and government officials, civil sector representatives and consultants.

When speaking about situation in Serbian energy sector from the perspective of EU integration, Freek Janmaat, Head of the European Integration Section at the Delegation of the European Union to the Republic of Serbia stressed importance for a country candidate to follow implementation of EU policies and legislation. Janmaat welcomed Serbia's recent adoption of new Energy law that is in line with the EU Third Energy Package. Janmaat said that one of the major challenges for Serbian Government would be to determine policy for attracting investments in renewables whereas it should balance its desire to keep electricity price as low as possible with incentives for further deployment of renewables.

“ *One of the major challenges for Serbian Government, according to Janmaat, would be to determine policy for attracting investments in renewables whereas it should balance its desire to keep electricity price as low as possible with incentives for further deployment of renewables.* ”

Narinder Chauhan, India's ambassador to Serbia, focused on generating interest in the region to partner with India in the renewable energy programme in the Balkans. She said her country had witnessed significant growth in the grid connected power generation and that the renewable energy sector had grown at an annual rate of about 22% rising from about 3.9 GW in 2002-03 to about 34.95 GW now.

Zoltán Nagy-Bege from the Romanian Energy Regulatory Authority spoke about regulation in the segment of renewables, alongside colleagues from Serbia and Croatia. He said that, even though Romania could serve as a model for its results, some conclusions must also be drawn from its mistakes. Namely, Nagy-Bege believes government's incentives in Romania used to be too generous, and that such policy attracts risk capital. In order to attract strategic investment, legislation needs to be stable and the support sustainable, he said. Still, he named ČEZ one of several good examples, with EUR 1 billion investment and its biggest onshore wind capacity in Europe.

Nagy-Bege also said predictability is important, while in Romania it is not clear how high quotas would be in the years to come.

A month before, as the Romanian government capped the annual green energy quota at the 2013 level of 11.1 percent of gross power consumption, managers of energy companies said they were reluctant to invest in Romania, Bucharest daily Ziarul Financiar said.

After two legislative amendments within two years **shook the confidence in long-term profitability**, the companies' parent groups say new projects are not credible, investors said during the ZF Power Summit '15, Energy World magazine reported.

In 2013, the state changed the support scheme for green energy producers, by halving the number of green certificates. Last year it reduced the regulated rate of return for the distribution of energy resources from 8.52% to 7.7%.

Analysts speculate the government is trying to **help large industrial consumers cut the cost** of energy from renewable sources ahead of elections, and prevent production cuts and layoffs.

# SeeNews

Business news and intelligence  
for Southeast Europe



# KOSOVO\*

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence.

## First meeting of Kosovo - Albania Committee for Common Market 10/03/2015



*Damian Gjijnur nd Blerand Stavileci*

Both Kosovo and Albania are aware of the importance of the agreement on the establishment of a common market for the energy sector, which is essential element and a prerequisite for economic development of both countries, said Blerand Stavileci (right), Kosovo's minister of economic development. He made these comments on March 10 in a **joint press conference with Damian Gjijnur** (left), minister of energy and industry of Albania, held after the first meeting of the Steering Committee for the Establishment of the Common Energy Market, Kosovo's Ministry of Economic Development said.

Minister Stavileci said that after the signing of the agreement last year between the two governments, the committee and working groups are opening the way for the establishment of this market. "The objective is, in addition to building new generating capacity to meet the demand for electricity consumption, to also review the forms and alternatives for certain compensations and complementarities, and in this aspect we all agree that the safest bet is the Republic of Albania", Stavileci said.

The ministry said the lack of capacities and their complementarities forced it and the Ministry of Energy and Industry of Albania to establish the common energy market, as a common market area.

Gjijnuri and Stavileci **visited the works of the 400 kV interconnection** between Kosovo and Albania. Minister Stavileci said Kosovo finalised one third of the works and the entire project is expected to be over by the end of the year. Minister Gjijnuri said that Albania finalizes its part of the work in spring 2016.

# MONTENEGRO

## Invitation for pre-qualification - Energy Efficiency in Public Buildings, Phase II 06/03/2015

Ministry of Economy has announced on March 3 invitations for international open tender (with pre-qualification) for consulting services for the implementation of the programme Energy Efficiency in Public Buildings, Phase II. The purpose of the Programme is the energy efficient rehabilitation of about 23 educational facilities (including 9 educational facilities from the EEPB Phase I), 5 social facilities (for accommodation and residence of children, adults and elders), 2 resource centers (for education and professional rehabilitation of children and youth) and 4 administrative facilities (e.g. ministerial and parliamentary buildings) in order to (i) contribute to improved energy efficiency performance in the targeted buildings, (ii) ensure sustainable structures of the targeted buildings and (iii) improve the conditions (learning, working and living) for the users of the targeted buildings.

Bids shall be submitted before 06 April 2015.

### INVITATION FOR PRE-QUALIFICATION

## EIB approves EUR 70 million loan for SME projects in Montenegro 16/03/2015



*Zoran Vukčević, Head of IRF*

Investment and Development Fund (IRF) of Montenegro presented this year's financial support and **signed a contract with the European Investment Bank** for a EUR 70 million loan, part of which is intended for **energy and environment**. The event was attended by potential users of IRF's loans, and Montenegrin prime minister Milo Đukanović told the audience how the institution additionally stimulates entrepreneurs

who are reluctant or intend to start a business, the IRF said on its website. Đukanović said EIB's funds shall improve loaning to small and medium enterprises. Several loan users spoke about their experience, and Vesko Mijajlović, owner of Biotel company from the town of Andrijevisa, presented a successful project for production of peat from wood.

It was told at the conference that IRF receives a bigger loan package than last year, at a lower cost and better conditions. Zoran Vukčević, IRF head, said prioritised projects - those in the categories of environment, energy and infrastructure, can be financed by up to 15 year loans with a grace period of five years.

## Norwegian company laid first part of transmission cable

23/03/2015



**The first, 140 kilometer phase** of installing the Tivat - Pescara underwater line, which shall be 390 kilometers long, was completed in mid-March by Nexant, web portal Analitika said. The Norwegian company is Italy's Terna's partner and it is yet to set another 250 km cable, which shall be connected to the first one. Another cable, 500 meters away from the first one, will be installed by the Italian company Prysmian, and the works may start in a year.

The 1 GW Italy-Montenegro underwater transmission cable project has faced numerous delays because of Croatian government's decision to explore the potential for oil and gas basins located under its territorial waters.

Montenegro will be profiting EUR 10-40 million per year, as 20 percent of transmission earnings belongs to Montenegrin company CGES. Terna's share shall be 80 percent for a period of 40 years.

The contract was signed on November 23, 2010 between the Government of Montenegro,

Montenegrin company CGES and Italian company Terna. KfW Development Bank and European Bank for Reconstruction and Development (EBRD) provided majority of project's financing.

## Feasibility Study conclusions on a regional 400 kV electricity interconnection

25/03/2015

The Feasibility Study for the 400 kV Interconnection between Serbia, Montenegro, and Bosnia and Herzegovina has recently been completed, with the cooperation of the electricity system operators in all three countries (EMS, CGES, NOS and Elektroprenos) and the financial support of the European Commission under the WBIF Infrastructure Projects Facility, as well as that of the European Bank for Reconstruction and Development (EBRD) – a prospective financier of the project, according to the press release published on WBIF's website.

The study investigated the development of a planned interconnection of 400kV amongst Bajina Basta in Serbia, Pljevlja in Montenegro and Visegrad in Bosnia and Herzegovina. The study has analyzed all aspects of the proposed interconnection, (technical, legal and regulatory, economic, market, social etc.) and has demonstrated the project's feasibility and viability. The findings of the environmental and social impact assessment (ESIA) indicate that this project can be developed and implemented with little or no disturbance to the environment and to the people who live and work in its surrounding area.

The connection is included in the list of priority projects supported by the Energy Community Secretariat in Vienna as well as in the European Electricity Transmission System Operators Association's (ENTSO-e) ten year network development plans for the SEE region. In the broader context, when this project is complete, it will be part of a strong electricity transmission corridor between Central Serbia and Italy, via the planned undersea cable between Montenegro and Italy. It is also linked to the previously completed WBIF-funded Feasibility Study on the Western Serbia upgrade (connection between Obrenovac and Bajina Basta) and the Lastva – Pljevlja Feasibility Study in Montenegro, which is now under construction. Serbia and Montenegro have already taken necessary steps for the completion of this Interconnection by submitting to the WBIF a new joint application for the financing of the detailed design and tender documents associated with the construction works.

# CROATIA

## Make public institutions switch to peat for heating, producers say

02/03/2015

Association of Peat, Briquettes and Wood Biomass Producers presented its initiative in the town of Vinkovci, together with Croatian Wood Cluster, to get authorised institutions to introduce peat as heating fuel in most public buildings through public procurement system, which would result in saving money, Energetika.ba portal reported. The association's representatives said there were 3,200 public procurers who autonomously decide on fuel type. There are 4,000 public educational institutions alone, from kindergardens to universities and scientific organisations, and they spend around HRK 250 million (EUR 33 million) a year, the report said. Switching to **peat for heating would save 30% to 50% a year**, and the investment in the heating system would pay off in 3 to 6 years, depending on the type, the article said.

“ There are 3,200 public procurers who autonomously decide on fuel type. ”

Forests make 47% of the country's total area, which makes a great potential for commodity, where good management by Hrvatske šume company ensures bigger increment of wood biomass, that comes from cutting, the association's secretary Marijan Kavran said at the press conference. The current 10 peat producers in Croatia, ones with all necessary certificates, manufacture up to 250,000 tons a year, out of which 92% is for export, mostly to Italy, Slovenia, Austria and Germany, he added. But the production potential is greater than that and it could have a significant influence on economic growth, particularly in rural areas, where most of the woodworking industry is, Kavran said.

## Turkish MB Holding plans a 10 MW geothermal plant in Croatia

10/03/2015

Muharrem Balat, MB Holding Chairman of the Board, told Anadolu Agency his company shall build the first geothermal plant in Croatia. The 10 MW facility project is supposedly **worth EUR 30 million and due to become operable in 2017**.

Balat added geothermal has lately been in Turkish company's focus, with investment in the home country

as well as abroad. Special equipment is necessary for such projects and it takes quite a while for it to be delivered, he said. The machines can be ordered only after water temperature and flow rate are measured, and work on the facility shall commence in March next year, Balat said.

“ The 10 MW geothermal facility project is supposedly worth EUR 30 million and due to become operable in 2017. ”

## Network of national institutions in charge of energy efficiency policy to be established

17/03/2015

Members of Croatian Center for Monitoring Business Activities in the Energy Sector and Investments (CEI) have visited Energy Community in Vienna, where they presented a project that will be done in cooperation with German Society for International Cooperation (GIZ). The main purpose of the project is to create a network of national institutions that are in charge of energy efficiency policy throughout Southeast Europe (Serbia, Montenegro, Albania, Kosovo, Bosnia and Herzegovina, Macedonia and Croatia).

“ The main purpose of the project is to create a network of national institutions that are in charge of energy efficiency policy throughout Southeast Europe (Serbia, Montenegro, Albania, Kosovo, Bosnia and Herzegovina, Macedonia and Croatia. ”

The expected result for this project is to handover the MVP (Monitoring and verification) web application to the host institutions in at least three countries from Southeast Europe and to initiate cooperation and knowledge sharing between responsible institutions for energy efficiency in SEE countries. CEI, as a leading role institution in the project, will open the info line for advising the partners from the ministries or agencies in other partner countries. CEI will support the efforts of the partner institutions to define the MVP system in their legislation by giving direct advice, providing the guidelines and by sharing the know-how with all partners.

# BOSNIA AND HERZEGOVINA

## Krk island to become energy independent and carbon free

18/03/2015



The northern Adriatic island of **Krk is set to become Croatia's first energy independent area** free of carbon-dioxide emissions, and by 2030 the island will be completely powered by renewable energy sources, Dalje.com portal said.

"We are pioneers in this endeavour in the whole of Croatia," the CEO of the Ponikve EkoOtok company, Zdenko Kirinčić, told Hina.

As many as 260 buildings on the island have been renovated in order to improve their energy efficiency. In addition, local inhabitants are permanently educated about energy-saving measures. Since 2011, the local authorities have spent over HRK 3 million (EUR 390,000) on documentation concerning the use of renewable energy.

The entire island is mapped for installation of photovoltaic plants and windmills. The construction of a 36 MW windmill is due to begin by 2018. In the same vein, the island is encouraging the use of electrical vehicles instead of conventional cars.

## CHP plant as a solution for Sokolac district heating company

20/02/2015



*Head of Sokolac Municipality Milovan Bjelica with consultants of the European Reconstruction and Development Bank (EBRD)*

Head of Sokolac Municipality Milovan Bjelica had a meeting with consultants of the European Reconstruction and Development Bank (EBRD) to discuss **a project of a 5 MW cogeneration plant, powered by biomass, with a value estimated at EUR 5.1 million**, reported portal ekapija.ba. "CHP plant project is a capital project with a technical support before and during the implementation. EBRD will provide full financing for the feasibility study, complete documentation for tender preparation and tender announcement for potential investors. Sokolac Municipality decided to proceed with this project in the form of public private partnership with potential investors and we hope to obtain solid support and favourable credit line for potential investor from EBRD," Bjelica said and added that the municipality will participate in the project with its own funds. The construction of a CHP plant in Sokolac would solve the problem of district heating. At the moment, municipality owns and operates a small heating system. New CHP plant would be located in the vicinity of the existing boiler house. The initial capacity would be 4 MW of heat and 1 MW of electric energy. The whole project totals EUR 5.1 million whereas the investor's contribution would be EUR 4.5 million and Sokolac municipality would participate with EUR 600.000.

## Impact study for hydro plants at Sutjeska blocked

08/03/2015



Republika Srpska's Ministry of Spatial Planning, Construction and Ecology blocked the process of approving the environmental impact study for small hydropower plants on Hrčavka river in the Sutjeska National Park, because **the protected area's spatial plan must be approved first**, Energetika.ba portal said, citing Fena agency.

Nataša Crnković from the Center for Environment in Banjaluka, who heads the Battle for Sutjeska (Bitka za Sutjesku) campaign against the construction of hydro plants, said the spatial plan had already **been withdrawn twice** from the procedure in the entity's parliament, being clearly controversial exactly because of the planned power facilities. Soon after the district court in Banjaluka ruled in favor of the Center for Environment, the ministry decided to block the procedure.

## Elektroprivreda BiH's 2014 profit 11.6 times lower year on year

16/03/2015

Power producer and distributor JP Elektroprivreda BiH d. d. said its last year's profit was BAM 3.2 million (EUR 1.64 million), in comparison to BAM 37 million from 2013. In a filing to the Sarajevo Stock Exchange, the company said it earned BAM 952 million last year, 29 million less than in 2013.

CEO Elvedin Grabovica told Dnevni avaz newspaper the reason for the drop in profit was cheaper power in international markets. He claims the company **expected such a result** due to unfavourable conditions, Energetika.ba portal reported. „In the year of natural disasters, one wouldn't expect better... But for us the most important thing is that, taken all together, we still made a positive result,” he said.

## BiH Federation oks issuing energy permits for three wind park projects

18/03/2015



The government of BiH Federation said on Wednesday it has endorsed issuing energy permits for three wind park projects, **SeeNews** reported.

The ministry of energy, mining and industry was given preliminary consent to **issue permits for the Podvelezje wind park**, a project that will be developed by state-controlled power utility Elektroprivreda BiH (EPBiH), as well as to local company Koncig for the Debelo Brdo wind park project and to F.L. Wind for the Jelovaca wind park, the cabinet said in a statement following a weekly sitting.

In 2013, EPBiH said it expects the planned Podvelezje wind park, with total capacity of up to 48 MW, to cost EUR 71.8 million. Germany's KfW Bank is expected to lend EUR 65 million of the necessary funding.

The Podvelezje wind park will be located at Mali Grad and Svetigora sites in the Herzegovina-Neretva canton, in the Federation's south.

“ In 2013, EPBiH said it expects the planned Podvelezje wind park, with total capacity of up to 48 MW, to cost EUR 71.8 million. ”

Data of the independent system operator of Bosnia and Herzegovina, NOSBIH, indicates the Debelo Brdo wind park project will have a capacity of 54.6 MW.

The Jelovaca wind park project should be developed in the namesake area near the southwestern town of Tomislavgrad with capacity of 36 MW, according to an official project document drafted by a unit of Croatian engineering company Zagrebinspekt.

## Bosnia's Amitea II applies for permits to build two SHPP

19/03/2015

Bosnian company Amitea II has applied for permits to build two small hydro power plants (SHPP) in the BiH Federation, the entity's energy ministry said, **SeeNews** reported. The planned SHPPs, **Kraljuscica 1 and Kraljuscica 2, will have capacity of 3,465 kW and 4,478 kW, respectively**, the Federation's energy ministry said in a statement on its website. The plants will be located in the Konjic municipality.

“*The planned SHPPs, Kraljuscica 1 and Kraljuscica 2, will have capacity of 3,465 kW and 4,478 kW, respectively.*”

The ministry also said that Sarajevo-based company CE Clean Energy BH has applied for a permit to build a photovoltaic (PV) power plant CE-Hodovo 1 with capacity for 4,976 kW.

## Water-heating solar panels open company's new operation

19/03/2015

Boksit, from the town of Milići, launched a pilot-project worth approximately BAM 25,000 (EUR 12,780) in cooperation with a partner from China. Solar collectors were installed to heat sanitary water in mining and transport company's motel, Energetika.ba portal said. Boksit's chief project manager Darko Gordić told Srna agency **the company intends to offer solar collector mounting systems** in the region's market.

“We chose a system which will only heat sanitary water in the motel building, however in the future we may expand our operation to photovoltaic collectors, which produce electricity that can be sold through the grid. The collectors will heat 2,000 liters of water in our buildings, and it is enough for all our needs,” he said. Gordić added the representatives of the partner from China participated in installing the panels and trained Boksit's workers.

## First wind kilowatt hours to be produced by end-2016

21/03/2015

Near the village of Gornji Brišnik, 20 km from the municipality seat of Tomislavgrad, the construction of the first wind turbine is to start next spring, Anadolu Agency said. By the end of 2016, according to plan,

the electricity produced shall be fed to the grid. The wind power project Vjetroelektrana Mesihovina, worth EUR 78 million, is for 22 turbines of 2.5 MW each, the report said. The Elektroprivreda HZ HB d. d. Mostar utility invests EUR 6 million, while the rest comes from loans.

The company plans to build 33 to 36 wind turbines in Poklečani, in the municipality of Posušje, as well as more aeolic capacity at Velika Vlačina near Mostar and at Borova glava between Livno and Tomislavgrad.

## First solar power facility in Bijeljina launched

24/03/2015



The **roof of the gym of Vuk Karadžić elementary school in Bijeljina** was equipped with the first solar power plant in the town, EnergetikaRS.com portal said. The capacity is 180 kW, and the annual production plan at 1,050 hours of illumination is 188 MWh.

Investor Marko Stajić from MTM Energy of Banjaluka said the BAM 500,000 (EUR 256,000) investment should pay off after ten years. Snežana Topić from Neutron d. o. o. of Bijeljina, the engineering company in the project, said power plants like this one are usually installed on public buildings and have a lifespan of 25 to 30 years. She added similar facilities exist in Banjaluka and the town of Kalesija, daily Glas Srpske's portal said.

The project was launched in cooperation with Bijeljina municipality, which will collect income from the investor for using its property.

# SLOVENIA

## Italian borders with three countries successfully coupled

24/02/2015



Slovenia's ELES d. o. o. (Electricity Transmission System Operator) reported a further significant step towards an integrated European power market, as the Italian Borders Market Coupling was launched. The Italian-Austrian, Italian-French and Italian-Slovenian borders have been coupled with the MultiRegional Coupling (MRC), thus **linking the majority of EU power markets** – from Finland to Portugal and Slovenia.

The launch of the Italian Borders Market Coupling provides evidence of the flexibility and reliability of the Price Coupling of Regions (PCR) solution, the report said.

Capacity for the three border sections has been implicitly allocated through the PCR solution for the day-ahead markets, making those borders part of the MRC. This full price coupling allows the simultaneous calculation of electricity prices and cross-border flows across the region, ELES said. This will bring a benefit for end-consumers derived from a more efficient use of the power system and cross-border infrastructures, the report said.

Cross-border capacity of all interconnectors within and between the following countries is now allocated in the day-ahead timeframe: Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Great Britain, Italy, Latvia, Lithuania, Luxembourg, the Netherlands, Norway, Poland (via the SwePol Link), Portugal, Slovenia, Spain and Sweden. The day-ahead markets of MRC extended to the Italian

Borders Market Coupling now cover 19 European countries, accounting for about 2,800 TWh of yearly consumption. The daily average cleared volume over these countries amounts to over 4 TWh, with an average daily value of over EUR 150 million.

## Renewable power producers' capacity rises to 516 MW

05/03/2015

Subsidies provided by the Slovenian government to green power producers rose by 10 % on the year to EUR 130.88 million in 2014, according to electricity market operator Borzen's data, **SeeNews** portal reported. Slovenia's electricity feed-in support scheme for renewable energy sources and high-efficiency cogeneration (CHP) power plants included 3,767 power plants with a combined installed capacity of 516 MW, Borzen said in a statement posted on its website. Their total electricity production **increased by an annual 13 % to 907.1 GWh.**

**“Slovenia's electricity feed-in support scheme for renewable energy sources and high-efficiency cogeneration (CHP) power plants included 3,767 power plants with a combined installed capacity of 516 MW.”**

A total of 348 power plants joined the system last year, including 205 new entrants with a combined installed capacity of 23.9 MW. The rest were plants where there was a change in the ownership or support type. The new entrants included 98 solar PV plants with a combined installed capacity of 8.9 MW and 87 fossil-fuel high-efficiency CHP ones with a combined installed capacity of 8.8 MW.

The bulk of the subsidies in 2014 went to solar PV plants – EUR 62.6 million, followed by fossil fuel plants – EUR 27.7 million. Biogas and wood biomass plants received subsidies of EUR 15.8 million and 14 million, respectively.

# ROMANIA

## Installed wind capacity in Romania rose by more than a third in 2013

24/02/2015

TPA Horwath Romania and Schönherr have, for the fourth consecutive time, published a study on 'Wind power and other renewable energy sources in Romania', Austrian Energy Agency's EnerCEE portal said. The report highlights that the total installed wind power capacity in Romania increased by 36.5 percent in 2013. Romania currently ranks **5th in Europe regarding investments into renewable energy**.

While Germany and the UK are market leaders in this segment, Romania, Portugal, Poland and Sweden have confirmed their status as emerging markets due to their important contributions over the course of 2013.

“*The report 'Wind power and other renewable energy sources in Romania' by TPA Horwath Romania and Schönherr highlights that the total installed wind power capacity in Romania increased by 36.5 percent in 2013.*”

Electricity generated by wind covered 8 percent of total Romanian power consumption in 2013. This figure is likely to have risen to 9 percent by the end of 2014 and one more percentage point increase is expected this year, as all wind farms that have been applied for in 2014 are expected to come into operation.

The current issue includes the latest figures and indicators for evaluating the wind energy market as well as all necessary factors for the evaluation of other renewable energy sources such as solar, hydropower, biomass and geothermal.

## Hidroelectrica prepares for hydropower upgrade, acquisitions

24/02/2015

Hidroelectrica plans to invest EUR 300 million this year in upgrading three hydropower plants and considers buying small hydro plants in the neighbouring countries as well as several hundred megawatts in wind farms developed on the local market, Mediafax reports.

“*Hidroelectrica plans to invest EUR 300 million this year in upgrading three hydropower plants and considers buying small hydro plants in the neighbouring countries as well as several hundred megawatts in wind farms developed on the local market.*”

According to the attorney Remus Borza, the representative of Euro Insol, Hidroelectrica's judicial administrator, **Hidroelectrica has RON 800 million in cash (EUR 179 million)**, and if viable projects are identified, it could borrow RON 1 billion (EUR 224 million) at an interest rate of 1 to 1.5 percent.

The hydroelectricity producer is managed by the state through the Ministry of Energy.

## MVM purchases hydroelectric power plant

27/02/2015

State-owned **MVM Hungarian Electricity Ltd.** has purchased a 7.48 MW hydroelectric power plant in Romania, more precisely a 90 percent stake, in order to “further strengthen its renewables portfolio”, **Budapest Business Journal reported**, citing an article in Hungarian language Romanian daily 'Kronika'.

According to the paper, the value of the transaction is approximately EUR 30 million based on a contract signed in January. The minority owner of the plant is the pension fund of the Hungarian Reformed Church of Romania. The acquisition is MVM's first in Romania.

## Over 500 experts participated in Arad trade fair

10/03/2015

Seventh **Enreg Energia Regenerabila**, the event on renewable energy and energy efficiency in the border triangle of Romania-Hungary-Serbia, was held from March 4 to March 6 in Arad. "Despite the legal barriers and lower investments in renewable energy, we were stubborn enough to bring together for the 7th consecutive year, specialists in the field to analyze the

market and to mark trends. This year the focus of the event was on energy efficiency in western Romania. The trade fair, the specialised conferences and the side events brought together over 500 experts in the sector," project manager Gabriela Bujeniță said.

## 15 Romanian companies awarded for promoting sustainable energy

19/03/2015



Photo: EBRD

European Bank for Reconstruction and Development (EBRD) and the European Union honored 15 Romanian companies for promoting energy efficiency, reads EBRD's press release. The EU-EBRD Sustainable Energy Excellence Awards, held in Bucharest on March 19, recognized Romania's most successful sustainable energy projects financed by the EBRD and the EU. "We are celebrating Romanian companies which have demonstrated time and again that investment in energy efficiency and renewable energy can bring economic, environmental, energy security and social benefits to Romania," said James Hyslop, EBRD Director for Romania.

"Economic benefits arrive in the form of lower utility costs for investors; environmental benefits in the form of lower CO2 emissions; security of energy supply through lower energy demand, or by meeting demand with local renewable energy resources; and social benefits in the form of jobs in the growing sustainable energy sector," he added.

To promote sustainable energy in the private sector, the EBRD and the EU have teamed up with Romanian banks to provide finance and advice to companies investing in energy efficiency and small-scale renewable-energy projects. Banca Comercială Română (BCR), BRD Groupe Société Générale, Banca Transilvania, CEC Bank, OTP Bank, Raiffeisen Bank and UniCredit Țiriac Bank have all been part of the EBRD and EU's joint programmes financing sustainable energy in Romania. Finance for energy efficiency in the private sector is currently available at Banca Comercială Română (BCR), BRD Groupe Société Générale, Banca Transilvania and UniCredit Țiriac Bank under the EU-EBRD Romania SME Sustainable Energy Finance Facility (RoSEFF), a key instrument for

promoting the efficient use of energy to cut bills and boost the competitiveness of SMEs.

So far, banks have on-lent EUR 112 million of EBRD finance to almost 300 companies for financing energy efficiency improvements with a combined value of EUR 156 million. The finance is supported by technical advice and financial incentives for SMEs funded with an EU grant.

These projects led to annual energy and CO2 savings of 1,786 GWh, the equivalent of the household electricity consumption of the city of Bucharest for an entire year, or 394 thousand tonnes of CO2, the equivalent of taking 123,690 passenger cars off the roads for a year.

The winners of the EU-EBRD **Sustainable Energy Excellence Awards 2015** are: Comcereal SA, Alex Star SRL, Agropan Impex, STC Invest SRL, Auto Europa SA, Electroargeș SA, Corom Export SRL, SC Norada SA, Diaplast Production SRL, Luxten Lighting SA and the City of Bucharest, Palrom Products SRL, Welthaus SRL, Spicul Turcin, OMV Petrom Marketing SA and Romwelle PM SA.

## China's Interest in Hydro comes from 'Grow Global' Strategy

19/03/2015

Five Chinese consortia were lining up to invest in a USD 1.1 billion pumped hydro storage project in Cluj county that has been stalled for the last three decades, Greentech Media website said. The winning bidder or bidders are expected to kick-start construction of the **1 GW Tarnița – Lăpușești Hydroelectric Power Station** by the end of the year. Hidro Tarnița, the project developer, claims the five- to seven-year construction work will create nearly 4,050 jobs.

The country, which currently has a single 53-gigawatt pumped hydro store at Sprâncenata, Giurgiu, has been pondering the viability of a pumped hydro storage plant at Tarnița Lake, in the Somesul Cald basin, since 1985. The location was one of 17 halted following a 10-year study by the Romanian Institute of Hydro Energy Studies and Design.

**The state should have increased the company's capital** by EUR 17 million last year by issuing new shares to other state energy companies, but the process failed, Mediafax agency reported.

# BULGARIA

## Incentives stay only for operational wind and solar facilities

27/02/2015

Bulgarian parliament **scrapped preferential prices for new renewable energy installations** on February 26, as the country is struggling to cut deficits in the energy sector and keep a lid on consumers' utility bills, EurActiv reported.

Wind power farms and photovoltaic parks mushroomed in 2011, after Bulgaria introduced generous subsidies for renewable energy, guaranteed for 20 years and committed to buy all the energy produced by them. But the incentives have weighed on the power costs in the European Union's poorest country, which has met its 2020 target for a 16 percent share of renewable energy at the end of 2013. The granted incentives will still be valid for already operational wind and solar energy plants.

The amendments of the energy law, approved by the parliament, also envisioned that the public power provider NEK will not be obliged to buy power at preferential prices from heating power plants that cannot prove energy efficiency.

High utility bills had sparked protests which toppled the government of Prime Minister Boiko Borissov in February 2013.

## Bulgaria one of three EU countries in reaching RES 2020 targets

10/03/2015

Energy from renewable sources in gross final consumption in the European Union (EU) reached 15 % in 2013, compared with 8.3 % in 2004, Eurostat said. The share of renewables in gross final consumption of energy is one of the headline indicators of the Europe 2020 strategy.

“ Bulgaria had previously agreed to produce 16 percent of its energy from renewable sources by 2020. This goal was achieved in 2012 and in 2013 the target was exceeded to a 19 % share. ”

The target to be reached by 2020 for the EU is a share of 20 % energy from renewable sources in gross final consumption. Each EU Member State has its own Europe 2020 target. The national targets take into account the member states' different starting points, renewable energy potential and economic performance.

**Three out of the 28 states have already reached the level** required to meet their national targets: Bulgaria, Estonia and Sweden. Moreover, Lithuania, Romania and Italy are less than 0.5 percentage points from their 2020 targets. Bulgaria had previously agreed to produce 16 percent of its energy from renewable sources by 2020. **This goal was achieved in 2012** and in 2013 the target was exceeded to a 19 % share.

## Saint Nikola wind farm output tops 1.54 million MWh since launch

16/03/2015



**The Saint Nikola wind farm near Kavarna**, in northeastern Bulgaria, has produced more than 1.54 million MWh of electricity in its five years of operations, US-based AES, which operates the plant, said, **SeeNews** reported.

Through its operation, the wind park has saved more than 1.2 million tonnes of carbon emissions, AES said in a press release over the weekend.

The Saint Nikola wind park, which is a joint project of AES and Bulgarian-German company Geo Power, has 52 wind turbines and a total installation capacity of 156 MW. The total investment in the park is EUR 270

million, of which EUR 198 million came from a bank loan provided by the European Bank for Reconstruction and Development (EBRD), the International Finance Corporation (IFC) and UniCredit Bank.

Saint Nikola covers an area of 60 sq km in the Kavarna area, on the Bulgarian northeastern Black Sea coast.

## **Bulgaria's wind power capacity installed in 2014 at 10.1 MW**

**20/03/2015**

Wind farms with a total capacity of 10.1 MW were installed in Bulgaria in 2014, according to the **annual Wind Energy Barometer** report of EurObserv'ER, reported Bulgarian portal Novinite.com. EurObserv'ER is a consortium dedicated to the monitoring of the development of the various sectors of renewable energies in the European Union. The EurObserv'ER Barometers Project is supported by the European Commission.

**Bulgaria's cumulative wind energy capacity reached 686.8 MW in 2014**, up from a rate of 676.7 MW in end-2013, according to the report. Wind power capacity installed in the EU in 2014 totaled 12.4 GW. Germany boasted the largest cumulative capacity in Europe at the end of 2014, at 40.4 GW, with 6.1 GW added in 2014. Spain ranked second with wind energy capacity of almost 23 GW and capacity of 55 MW installed in 2014.

Denmark was first by per capita wind energy capacity with 862 kW/1000 inhabitants. Bulgaria reported 95 kW/1000 inhabitants against an EU average of 258 kW/1000 inhabitants. According to data available to EurObserv'ER, wind farms in the EU produced a total of 247 terawatt hours (TWh) in 2014, up by 5.3% on an annual basis. Wind energy's share of the EU electricity mix increased to 7.5% of electricity consumption, compared to 7.1% in 2013. Bulgaria's electricity production from wind power stood at 1.304 TWh in 2014, up from 1.240 TWh in 2013.

## **The Fifth Renewable Energy Stakeholder Forum held**

**24/03/2015**

The Fifth Renewable Energy Stakeholder Forum was held on March 24 in Economic Chamber of Macedonia, according to the press release issued by USAID Clean Energy Investment Project. The Forums, established back in 2013 by the Clean Energy Investment Project in collaboration with the Association of renewable energy producers within the Macedonia Economic Chamber and the International Finance Corporation (IFC) Balkan Renewable Energy Program, serve as a vehicle for public-private dialogue on issues related to renewable energy.

On previous Forums many ideas and initiatives were identified, which contributed to improve the legal and regulatory framework, and to resolve some of the practical implementation problems that renewable energy investors encounter. The Forum was opened by the Deputy Prime Minister for Economic Affairs (DPMEA), Vladimir Pesovski, the President of the Association of Renewable Energy, Koco Angushev and USAID Mission Director, James Stein.

The Renewable Energy Forums are a much needed mechanism for bringing together renewable energy investors, local organizations, representatives of relevant ministries and agencies, and donor community to discuss issues that impact the implementation of investment projects in renewable energy. Topics of discussion at the fifth Forum included legal and practical improvements of the renewable energy investment procedures, and investments in photovoltaic panels on roof tops.

USAID Clean Energy Investment Project supports the Government of Macedonia's efforts in improving renewable energy enabling environment and implementing relevant strategies with the goal to increase investment in energy generation from renewable sources, and reduce Macedonia's total final energy consumption and greenhouse gas emissions.

# GREECE

## The state blocks completion of power privatisations

26/02/2015

Greece will not go ahead with privatising its dominant electricity utility PPC or power grid operator ADMIE, energy minister Panagiotis Lafazanis said, despite promising its creditors not to halt sales that are underway.

The comments from Lafazanis appeared to mark the first sign of open dissent from a minister on the far left flank of the new Greek government over a deal with the euro zone to extend the country's bailout programme, Balkans.com reported.

The Public Power Corporation (PPC) has already **launched a tender to sell** a 66 percent stake in its power grid operator ADMIE, and several investors including state Grid Corporation of China (SGCC) and Italian grid operator Terna have been shortlisted as buyers.

## Aeolian capacity rises to almost two gigawatts

15/03/2015

The wind power sector in Greece strengthened significantly in 2014, **Hellenic Wind Energy Association (Eletan)** reported. Net installed capacity is 113.9 MW, slightly smaller than in 2013. In addition, on December 31 there was 246.5 MW in wind turbines registered to be built or already under construction, the report said. The two categories combined demonstrate the growth potential and current prospects for investment, boosting employment and providing income at a critical period for the Greek economy, while also contributing to achieving the 2020 targets, Eletan said. The statistics showed installed wind farm capacity, active or in trial mode, was 1.98 GW, 6.5 percent more than a year before. The top producer was Terna Energy with 360.4 MW (18.2 percent), up from second position a year before and followed by EDF with 322.8 MW, Iberdrola Rokas (250.7), Enel Green Power (200.5), and Anemos (Ellaktor) with 162.9 MW.

# ALBANIA

## Hydropower plant production licences for two companies

16/03/2015

Albania's energy regulator said it had awarded an electricity production licence to local company Ayen AS Energji, **SeeNews** portal reported.

The licence allows the company to operate as producer of electricity from the 12.25 MW Gojan hydropower plant, the 6.55 MW Gjegjan hydropower plant, the 27.94 Peshqesh hydropower plant, and the 63.8 MW Fangu hydropower plant for a 30-year period, the energy regulator said in a statement posted on its website.

“ *The licence allows the company to operate as electricity trader in Albania for a five-year period.* ”

An **electricity trading licence** was also awarded to local company Devoll Hidropower. The licence allows the company to operate as electricity trader in Albania for a five-year period, the energy regulator said in a statement posted on its website.

## Ahmetaj: In 10-15 years, Albania won't need power imports

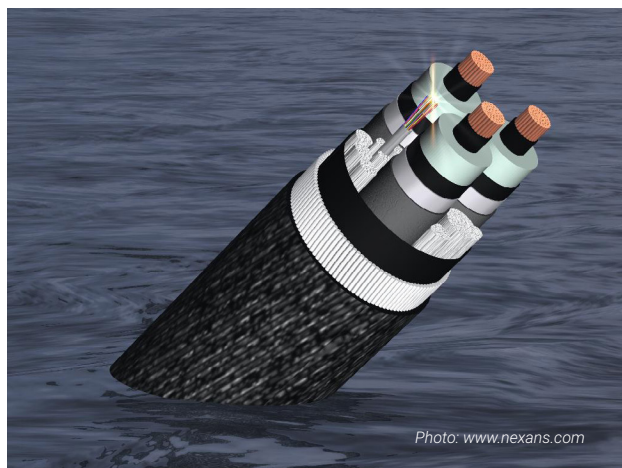
18/03/2015

On the second day of Albania Oil, Gas and Energy 2015 Summit in Tirana, minister of economic development, trade, entrepreneurship and tourism, Arben Ahmetaj, stressed in a speech that the **reforms undertaken by the country's government in the energy sector** have had positive effect on the economy and that the main goals are the reduction of imports of the electrical energy and the increase of producing capacities, Invest in Albania website reported.

“Albania has imported the electrical energy for at least the last decade but if we implement the right reforms, Albania will improve its capacities within 10 or the next 15 years in order to meet all the demands of the domestic market regarding electrical energy,” he declared.

## Albania - Italy cable potentially more profitable than Montenegrin project

23/03/2015



Albania is trying to position itself as the export route for cheap Balkan hydro power into Italy, ahead of Montenegro, ICIS reported. An undersea electricity interconnector between the two countries could be more feasible than a cable linking Montenegro and Italy, according to Lorenc Gordani, an energy expert from Albania.

The Albanian government signed a **memorandum of understanding** with German engineering company Max Streicher GmbH & Co. in late February to establish a consortium. The next step would be a feasibility study, ICIS said. Building a 400 kV line between Italy and Albania is on the list of projects of Energy Community interest. Energy Minister Damian Gjijnuri and Deputy Minister Dorian Duck signed the agreement for Albania, and Franz Josef Pschierer, **the minister of energy of Bavaria, encouraged the deal**, Law360.com said, citing a press release by the Albanian Ministry of Economy, Trade and Energy.

“ The laying of the infrastructure for the Trans Adriatic Pipeline (TAP) could cut the cost of building an electricity link between Albania and Italy. ”

The laying of the infrastructure for the Trans Adriatic Pipeline (TAP) could cut the cost of building an electricity link between Albania and Italy, making it financially more viable, according to Gordani, legal energy market advisor and project manager at the Albanian Centre for Energy Regulation and Conservation (ACERC). The initial estimated cost of the Albanian-Italian link is around EUR 200 million, according to the Albanian energy ministry.

Meanwhile, **the first, 140 kilometer phase** of installing the Tivat (MNE) - Pescara (ITA) underwater line, which shall be 390 kilometers long, was completed in mid-March. Italian transmission system operator (TSO) Terna had estimated a project cost of EUR 760 million for the cable to Montenegro, ICIS said. **The Montenegrin media estimates** the project, financed by the European Investment bank, to be worth around EUR 800 million.

Gordani also questioned the prolonged deadlines for the Montenegro cable. He suggested that the Albanian link could even launch first but it would need to attract private investment.

## Albania's energy consumption continued to rise sharply in 2014

24/03/2015

Albania's electricity consumption, which occupies the first place as a source of energy, continued to rise sharply during 2014, and after several years, it was marked a reduction in the level of electricity losses, Albanian National Institute of Statistics (INSTAT) announced on Monday, reported portal Balkans.com. Household consumers increased consumption of electricity during 2014 by 10.2 percent more than in 2013. Electricity consumption in total by customers during 2014 rose by 10.1 percent compared with 2013 and the amount from 4,551 GWh to 5,011 GWh.

Increasing energy demand led to higher gross electricity imports during 2014 by 44.5 percent more than in 2013. Consequently, the export of electricity in 2014 fell sharply. Gross exports of electricity amounted to 288 GWh in 2014, from 1,425 GWh in 2013.

# CYPRUS

## State-of-the-art solar park launched by the University of Cyprus

24/02/2015



The University of Cyprus aims to become completely energy self-sufficient through two solar panel parks, rector Constantinos Christofides said during **the launch of the 'Phaethon' photovoltaic park**, made up by 1,645 solar panels, with an annual capacity of 632,000 kWh. The second one, to be named 'Apollon', which will have a 10 MW capability, is also in the works, Christofides said. He told the Cyprus Mail that the university planned to invite tenders within the next four to five months.

The 'Phaethon' was officially opened by Energy Minister Giorgos Lakkotrypis. The state has secured EUR 52 million in EU funding for the 2014-2020 period, specifically aimed at completing projects and approving schemes regarding energy saving and employing renewable energy options in public buildings, businesses and homes, he said, adding that output from renewables rose to 8.7 percent in 2014. „This brings Cyprus as near to our national goal of 13 per cent in 2020,” Lakkotrypis said.

The minister claims the government was trying to open up the energy market by introducing incentives for energy producers other than the state-owned Electricity Authority of Cyprus, as well as entrepreneurs operating in the renewable energy field.

## RES fund to post a deficit

03/03/2015

The Renewable Energy Sources (RES) Fund, financed by consumers through electricity bills, will post this

year a deficit because of the power utility's **reduced revenues due to lower fuel prices**.

The government is considering plugging the hole by spreading the cost among consumers and RES operators. One scenario mulled by the Energy Ministry, would see the special RES fee, currently EUR 0.005 per kWh, jacked up to 0.006 or 0.007. Officials estimate that for the RES fund to be solvent, the production cost – known also as the avoidance cost – must be 11 cents per kWh. The Electricity Authority of Cyprus' production cost is currently around 8.5 cents. The fund has financing obligations for RES projects, and as the cost of production drops, the burden shifts to the RES fund.

“ *The government is considering plugging the hole by spreading the cost among consumers and RES operators. One scenario mulled by the Energy Ministry, would see the special RES fee, currently EUR 0.005 per kWh, jacked up to 0.006 or 0.007. Officials estimate that for the RES fund to be solvent, the production cost – known also as the avoidance cost – must be 11 cents per kWh.* ”

As things stand, the difference has to be paid by consumers, because the other side of the equation – RES producers and operators – is inflexible. The government – and ultimately consumers – are stuck with the old contracts awarded to wind farms and photovoltaic parks.

George Georgiou, head of the Cyprus Renewable Energy Sources Association, warned that taxing the companies would discourage planned future investments. If any tax were introduced, he added, this should be based on the profits. For his part, energy regulator Costas Shammis noted that even if the entire RES deficit were covered by consumers, “this extra charge would not be painful.”

## Smart energy solutions on the agenda at Cyprus conference

11/03/2015



Experts discussed smart solutions to energy challenges in Cyprus on March 10, at a high-level conference in Nicosia, European Bank for Reconstruction and Development (EBRD) said. The conference – Smart sustainable energy: International experience and Cyprus – was organised by the Cypriot Ministry of Energy and Industry, the European Commission (through the Support Group for Cyprus), and the EBRD.

The EBRD said it had presented examples of its **investments in energy service companies** that provide sustainable solutions. It also made a presentation on its small-scale financing for energy efficiency and renewable energy projects for firms and buildings. The bank shared its experience in smart metering, which enhances the efficient use of energy.

“ The EBRD said it had presented examples of its investments in energy service companies that provide sustainable solutions. ”

The conference included the presentation of Italian smart grids in relation to concrete business opportunities for small and medium enterprises. The Dutch experts talked about smart project experience: local authorities' efforts, available technology, and experience on implementation. German experts presented smart wind integration in distributed generation, while the participants from Sweden showed how the energy efficiency fund works in their country. The Technical Chamber of Cyprus (ETEK), which also supported the conference, presented its proposals for upgrading the energy efficiency of households.

## EBRD supports Turkey's shift to renewable energy

16/02/2015

Turkey has taken an important step towards reaching its 2023 renewable energy targets thanks to support from the European Bank for Reconstruction and Development (EBRD), reads the press release of EBRD. In a move to grow the share of renewables in the country's energy mix, increase security of energy supply and reduce greenhouse gas emissions, the Turkish Ministry of Energy and Natural Resources has developed – with the support of the EBRD – Turkey's first National Renewable Energy Action Plan in line with the EU's Renewable Energy Directive.

Turkey has pledged to develop 30 per cent of its total installed capacity from renewable sources by 2023. The objective is to add 34 GW of hydropower, 20 GW of wind energy, 5 GW of solar energy, 1 GW of geothermal and 1 GW of biomass. The country also aims to have 10 per cent of its transport sector needs met by renewable energy.

To achieve this goal Turkey must increase its non-hydro renewables output about sevenfold in less than ten years. The action plan developed with the EBRD is the guiding document for the Ministry of Energy and Natural Resources to meet these targets.

It sets out the course of action required to attract more investment in renewable energy projects. For example, the document identifies the regulatory gaps hindering private investment in the sector and establishes measures based on international best practices.

“ Turkey has pledged to develop 30 per cent of its total installed capacity from renewable sources by 2023. The objective is to add 34 GW of hydropower, 20 GW of wind energy, 5 GW of solar energy, 1 GW of geothermal and 1 GW of biomass. The country also aims to have 10 per cent of its transport sector needs met by renewable energy. ”

These include financial support for projects, cutting red tape and improving the legal framework, enhancing the interconnection infrastructure and developing support mechanisms such as the early stage geothermal support framework currently being pioneered by the Bank.

The initiative to support the Turkish Ministry of Energy and Natural Resources in developing the action plan is funded by a EUR 150,000 grant provided by the government of Spain. This financing enabled the EBRD to hire the Deloitte consultancy to work with the Ministry.

The involvement of the EBRD builds on a Sustainable Energy Action Plan signed with the Turkish Undersecretariat of the Treasury in 2011. In line with the plan, the Bank works with the government, provides donor-funded technical advice and invests in renewable energy projects.

## Photovoltaic energy systems from Greece invests in Thrace

02/03/2015

Greek solar energy company Photovoltaic Energy Systems is preparing to invest in renewable energy in Turkey, a company official said on March 2. Hurriyet reported that Anadolu agency quoted Evaggelos Kalenteridis announcing solar projects in a district of the western city of Edirne, which neighbors Greece.

"The company was searching for a place to invest in for some time and settled on the **Keşan district as it is an organized industrial zone**. The company aims to invest in the Thracian region of Turkey at first and then spread projects to the rest of the country," he said. He added that the company will continue to hold production in Komotini, northeastern Greece.

The Greek solar energy company will operate as a member of Keşan's Chamber of Industry and Trade, Mustafa Helvacıoğlu, chairman of the board, said. "We welcome foreign and domestic investors to our region and are glad to have the Greek company in Keşan," he said.

## Belectric lands first solar tenders in Turkey

05/03/2015

German system integrator Belectric's Turkish joint venture has secured its first tenders in the country after gaining approval for two large-scale ground-mounted solar projects from Turkish Electricity Transmission Co. (TEİAŞ), Pv-tech.org reported.

Belectric Kuloğlu has successfully tendered for projects which will have a combined **AC connection capacity of 32.4 MW** – 14 percent of the total capacity tendered in the bidding round – and the company said it intends to compete for further tender requests from TEİAŞ in the coming months.

The JV has partnered with domestic groups Gün Güneş Enerjisi Elektrik Üretim San. Ve Tic. A.Ş. and Ra Güneş Enerjisi Elektrik Üretim San. Ve Tic. A.Ş for the tenders and Cenap Kuloğlu, managing director at Belectric Kuloğlu, said the results confirmed its "continuing market leadership" in solar project development.

"We are proud of winning these tenders, which allow us to gain entry to the Turkish market. Our declared objective is to become the leading system integrator and O&M expert for our partners in Turkey," said Bernhard Beck, executive chairman at Belectric.

Turkey's Ministry of Energy and Natural Resources revealed in February that it was targeting to achieve 5 GW of installed PV by 2023 as part of a new renewable energy strategy developed in collaboration with Deloitte and the European Bank for Reconstruction and Development (EBRD).

## First Solar secures interconnection rights for three PV plants in Turkey

10/03/2015

Arizona-based First Solar Inc. has been awarded interconnection rights for three planned utility-scale solar photovoltaic plants in southern Turkey. The rights were issued following a **competitive tender that was administered by the Turkish Electricity Transmission Co. (TEİAŞ)** as part of the country's Renewable Energy Resources Support Mechanism (YEKDEM) program, Solar Industry Magazine said.

*“ Subject to the company receiving regulatory approval, First Solar will construct plants in the Turkish provinces of Muğla, Burdur, and Urfa with a combined capacity of 19MW AC. When complete, the plants will produce an estimated 31.5 GWh of electricity per year, enough to power some 14,000 average homes in the country, according to First Solar. All three projects use First Solar's thin-film module technology. ”*

Subject to the company receiving regulatory approval, First Solar will construct plants in the Turkish

provinces of Muğla, Burdur, and Urfa with a combined capacity of 19MW AC. When complete, the plants will produce an estimated 31.5 GWh of electricity per year, enough to power some 14,000 average homes in the country, according to First Solar. All three projects use First Solar's thin-film module technology.

"We entered the Turkish market, less than twelve months ago, with a strong belief in its potential to evolve into one of Europe's first truly sustainable PV markets," says Christopher Burghardt, vice president for Europe at First Solar. "Our success in securing these connection rights vindicates our position and reinforces our confidence in the country and in the strength of its regulatory framework for renewable energy."

**The company has not yet entered into a joint venture** to build the plants and a spokeswoman could not confirm whether it was First Solar's intention to do so, describing the awards as "very early stage", Pv-tech. org said.

## EU eyes creation of energy partnership with Turkey

11/03/2015

The European Commission (EC) said it intends to establish an energy policy partnership with Turkey, Anadolu Agency reported. A stronger and more united EU can engage more constructively with its partners, to their mutual benefit, EC's statement said.

The body announced the Energy Union Package in Brussels on February 25, which calls for greater coordination between its member states to enable a free flow of energy across borders and a secure supply for EU citizens. In addition, it aims to reduce its energy dependency on external states with specific reference to Russia, the largest supplier of natural gas to Europe.

As part of a revitalized European energy and climate diplomacy, the EU will use all its foreign policy instruments to establish strategic energy partnerships with **increasingly important producing and transit countries** or regions such as Algeria and Turkey, Azerbaijan and Turkmenistan, the Middle East, Africa and other potential suppliers, the statement said.

## Balkan countries in relatively stable positions in EY's Recai chart

04/03/2015



Balkan markets included in the latest Ernst and Young quarterly Renewable Energy Country Attractiveness Index (Recai) changed positions slightly in comparison to three months before. Turkey moved up a spot to be ranked 18th of the 40 countries listed, Greece stayed at number 33, while Romania dropped three places to the 35th position. Bulgaria and Slovenia were last in the charts a year ago, but have since dropped out after failing to recover from the mass exodus of investors and developers following severe subsidy reductions. Slovenia is out of top 40 also due to limited investment and deployment activity despite last year's optimistic projections.

*“ Besides macro and energy-market drivers, the countries are graded in the technology-specific category, where Turkey is in the first league in geothermal and hydro section, ranked 6th and 9th, respectively. ”*

Besides macro and energy-market drivers, the countries are graded in the technology-specific category, where Turkey is in the first league in geothermal and hydro section, ranked 6th and 9th, respectively. China-based PV manufacturer Hareon Solar Technology plans to develop up to 2.5 GW of solar capacity in Turkey, requiring investment of USD 4.5 billion, E&Y said. The sale of state-owned assets, including energy infrastructure, is expected to dominate M&A activity this year, the report said. In other developments, an international joint venture including Germany's Schmid Group and Pekintas Group of Turkey has announced plans for a 200 MW solar cell and module manufacturing plant in Russia at

a cost of USD 450 million, Renewable Energy Country Attractiveness Index brochure said.

Greece bodes above average in concentrated solar power, where it stands at the 15th place.

## Stakeholders give their views on Energy Community's future

13/03/2015

The results of the public consultation which gathered stakeholders' views on options for the implementation of proposals made by the High Level Reflection Group in its report 'An Energy Community for the Future' were published in mid-March, the Energy Community said.

A total of 61 submissions were received from a wide mix of stakeholders, including central government authorities of the Energy Community Contracting Parties and EU member states, regulatory authorities and their regional associations, international financial institutions, economic operators and their associations, EU bodies, members of the European Parliament, NGOs and civil society individuals as well as academics.

“A clear majority of respondents supported additional environmental legislation and investment enhancing measures.”

A clear majority of respondents **supported additional environmental legislation and investment enhancing measures**. In addition, EU rules on public procurement and value-added tax should become legally binding in the Energy Community. Competition law enforcement should be made more operational, the report said.

The majority of stakeholders also shared the view that the current law enforcement regime should be fundamentally changed as it cannot adequately deter the contracting parties from violating Energy Community law. Moreover, EU funding should be conditional on implementation of Energy Community law. At the same time, the secretariat's capacities should be strengthened, the participants said. The Energy Community should also engage with a wider range of stakeholders, including via a consumer platform and a parliamentary assembly, the report said.

### SUMMARY OF PUBLIC CONSULTATION RESPONSES

## Vienna Forum on European Energy Law unites leading energy experts

16/03/2015



Experts on 3rd Vienna Forum on European Energy Law

The 3rd Vienna Forum on European Energy Law took place at the premises of the Energy Community Secretariat on March 13. The forum, which is a joint initiative between the Florence School of Regulation and the Energy Community Secretariat, brought together over 140 experts from energy companies, regulators, governments, academia and legal firms. The motto of this year's forum was 'Markets and Crisis'. The programme included an analysis of the market design for renewable energy, a focus on the energy hotspot - Ukraine, a debate on the Energy Union as well as a review of enforcement in the Energy Community.

In a keynote speech, professor Helmut Schmitt von Sydow, who chaired the intergovernmental conference that negotiated the Energy Community Treaty, retraced the creation of the community. He argued that in many ways the **Energy Community Treaty is more advanced than the EU's treaties**, e. g. its mutual assistance clause in case of energy crisis and flexibility in terms of accepting new members. Yet the treaty also has its weaknesses, including the absence of provisions on investment and an inadequate dispute settlement mechanism.

Experts discussed options to improve law enforcement in the Energy Community, including the creation of a regional court of justice of the Energy Community versus using arbitration tribunals. The former was preferred as arbitration was generally very costly and a regional court could deal not just with infringement cases but also have jurisdiction over direct actions against the legally binding measures taken by the Energy Community institutions and preliminary references for national courts of the Contracting Parties.

# UPCOMING EVENTS

**March 31 – April 2, 2015**

**Intercontinental Wind Power Congress**

Istanbul, Turkey

**April 22-23, 2015**

**RENEXPO Western Balkans**

Belgrade, Serbia

**October 14-15, 2015**

**All energy Turkey**

Istanbul, Turkey

**November 5, 2015**

**RENEXPO BIH**

Sarajevo, Bosnia and Herzegovina

**November 18-20, 2015**

**RENEXPO SOUTH-EAST EUROPE**

Bucharest, Romania

**December 1-3, 2015**

**GeoPower Global Congress**

Istanbul, Turkey

# SUPPORTER



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

Swiss Confederation

Federal Departement of Economic Affairs,  
Education and Research EAER  
**State Secretariat for Economic Affairs SECO**

# PARTNER



# MEDIA PARTNER

# SeeNews

● Know how to see

## Contact information:

Center for Promotion of Sustainable Development  
Bulevar Mihaila Pupina 133, Belgrade, Serbia  
Phone: +381 63 871 28 74  
E-mail: [office@balkangreenenergynews.com](mailto:office@balkangreenenergynews.com)  
Web: [www.balkangreenenergynews.com](http://www.balkangreenenergynews.com)



*Balkan Green Energy News is a project of the Center for Promotion of Sustainable Development, a non-profit organization from Belgrade, Serbia. It is published one a month and distributed without charge.  
We encourage you to share the newsletter to persons that may be interested in its content.  
Balkan Green Energy News is not responsible for the accuracy of information provided from third party media sources.*